Fund Commentary

Q3 2018

Saturna Capital

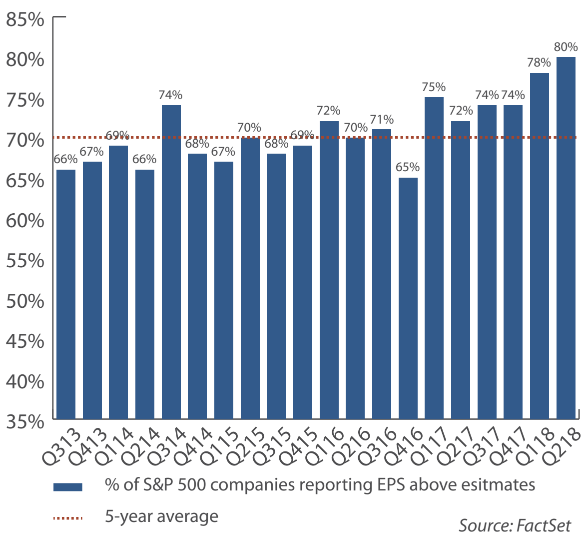
Amana Mutual Funds Trust

Please consider an investment's objectives, risks, charges, and expenses carefully before investing. To obtain this and other important information about Amana Funds in a current prospectus or summary prospectus, please visit www.amanafunds.com or call toll free 1-800-728-8762. Please read the prospectus or summary prospectus carefully before investing. Distributed by Saturna Brokerage Services, a wholly-owned subsidiary of Saturna Capital Corporation, investment adviser to the Amana Funds.

Environment

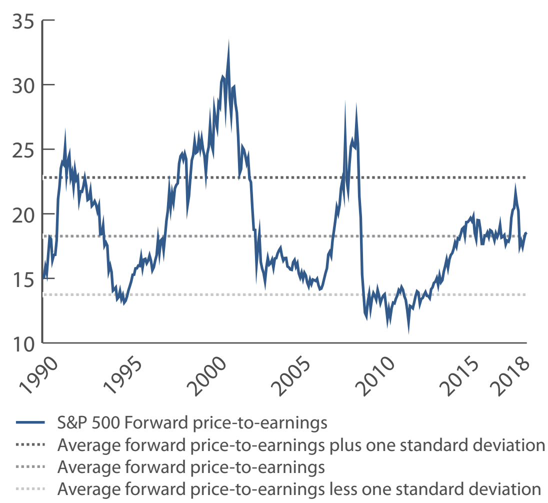
US stock markets enjoyed the strongest quarter of the year over the summer – a resounding rebuke to the old saw, Sell in May and Go Away. As analysts like to say on earnings conference calls, let's "unpack" the third quarter, "breaking down" the "puts & takes." Chief among sources of support for US equity markets has been earnings, boosted primarily by tax reduction with an assist from share buybacks. The phenomenon was especially pronounced for second quarter results, released throughout the third quarter, with 80% of companies reporting earnings above the mean EPS estimate. To be sure, sandbagging is a well-honed talent and there has never been a quarter over the past five years when the majority of earnings did not exceed the mean estimate. Regardless, the second quarter numbers represent the high point of a trend that has been gaining momentum over the past two years. Higher earnings, of course, address the single greatest stock market concern – valuation. While the last 28 years show that stock market valuation tends not to spend much time around the median level – where we are today – it's hard to say that valuation is stretched. One can just as easily make an argument for further appreciation as for a downturn.

S&P 500 Positive EPS Surprise (% of Companies)



Source: FactSet

S&P 500: Forward price-to-earnings

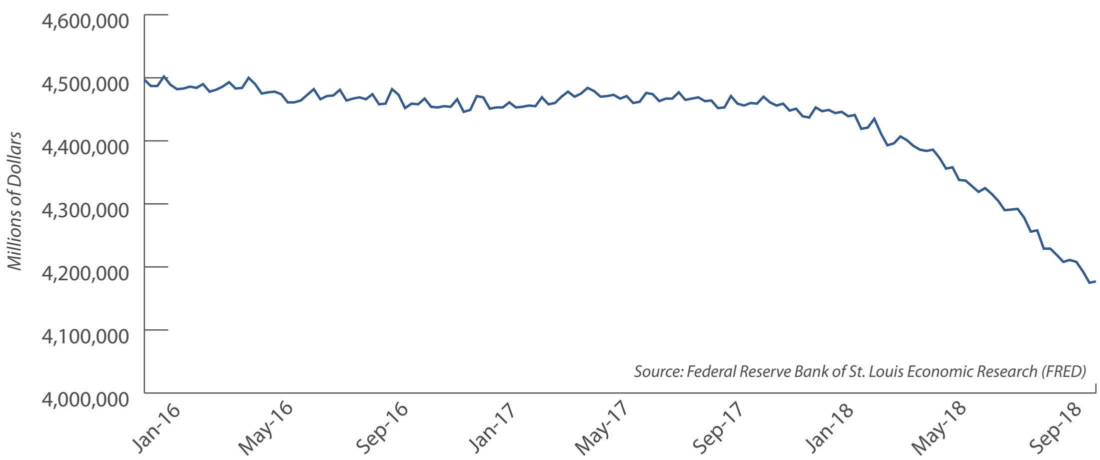


Source: Bloomberg, Saturna Capital research

Another driving force behind index appreciation has been strong performance among a handful of mega-cap companies. Most notable are the two largest market capitalization companies in the world, Apple and Amazon, which appreciated 21.95% and 17.84%, respectively, in the quarter. It must be remembered that the outsize influence of these stocks works in both directions and they can drag an index down as quickly as they pulled it up. Unlike the dot-com boom at the turn of the century, however, we're not "counting eyeballs" or measuring "stickiness." These are legitimate companies with real operations, not Pets.com.[1]

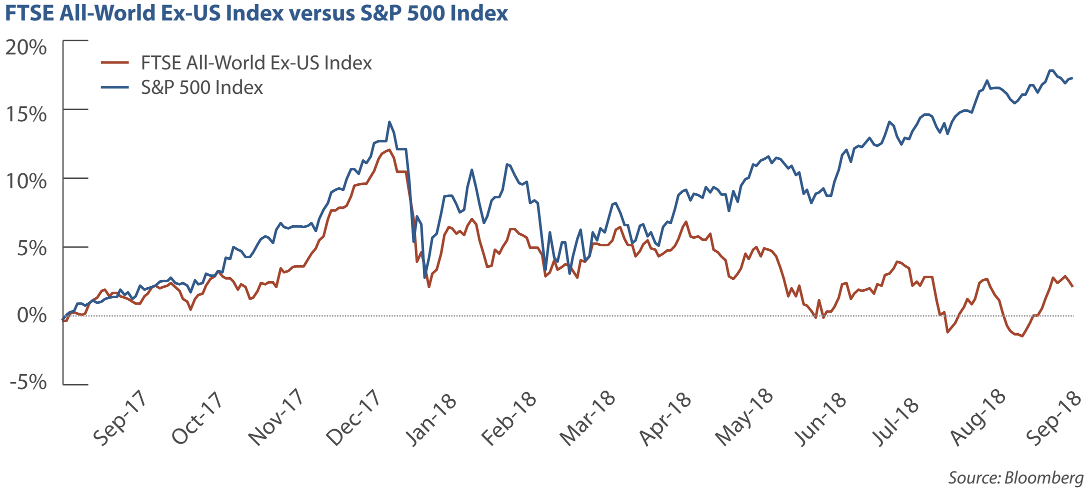
One source of concern for equity investors has been the removal of the US Federal Reserve's "extraordinary monetary policy" or quantitative easing (QE). As shown in the *All Federal Reserve Banks: Total Assets* chart, that process is underway, yet any impact on the stock market has yet to be seen. That said, the European Central Bank and the Bank of Japan continue to pump money into their economies and, unlike Vegas, what's created in Europe or Japan doesn't have to stay there.

All Federal Reserve Banks: Total Assets



Traveling euros and yen may provide a partial explanation for our final 2018 stock market discussion topic – the performance divergence between the US and international markets, as shown in the chart below. Overseas investors may see more enticing opportunities on American shores and move their money accordingly, while US investors pull back from international exposure. Aforementioned US tax policy and earnings strength are key factors. Poor performance among emerging markets, including currency stress in Turkey, Brazil, Indonesia, India, and South Africa has also contributed, as has the weakness in China with its technology juggernauts (Tencent, Alibaba, and Baidu) struggling in the wake of regulatory and personnel changes. Neither are international developed markets strangers to turmoil, with the UK and EU unable to agree on Brexit terms, a populist government in Italy raising concerns over that country's future solvency, and broader worries over European bank exposure to Turkey. Even Japan, which has benefited from favorable press, improving margins, and a recent market rebound, has yet to recapture ground lost early in the year.

FTSE All-World Ex-US Index versus S&P 500 Index



Outlook

We are wary of opining on the future with a contentious election just around the corner. How that turns out could significantly affect market sentiment, especially in the event of Democratic victories. Additionally, certain economic signals are blinking yellow, if not quite red. Foremost among these is the housing market as higher interest rates reduce affordability and dent the enthusiasm that has pushed up prices around the country. Forward markets currently indicate the Federal Reserve will hike rates once more this year, so pressure could intensify. Following an acceleration in the shift from passenger cars toward SUVs, one might wonder about the effect of higher gasoline prices on the automotive industry. Of course, there's also the question of tariffs. As the world's largest market, with a relatively low reliance on exports, US tariffs have been more damaging to companies outside of the United States. Whether that continues, especially as the US and China remain at loggerheads, is more difficult to say. If September automotive sales are any indication, future sailing may not be smooth. In September GM, Ford and Toyota experienced year-on-year sales declines of -15.6%, -11.3% and -10.4%, respectively.[2] Finally, there's the US dollar, which has strengthened against the Japanese yen, the euro, and most other currencies this year. Foreign exchange headwinds are becoming a regular element of earnings announcements for US multinational companies. Opposing all these potential negatives, who predicted the level of stock market returns investors have enjoyed over the past two years? As always, we believe remaining fully invested for the long term in well-managed, financially solid companies to be the best course of action.

Amana Income Fund

The Amana Income Fund Investor Shares surged in the third quarter, rising 8.55%, while the S&P 500 gained 7.71%, and the Morningstar Large Blend category appreciated 6.67%. Year-to-date the Fund has returned 4.31%, still trailing the YTD gains of 10.56% and 8.42% for the S&P 500 and Morningstar LB Category respectively.

One of the most notable developments in the third quarter was the return to favor of the major pharmaceutical companies. Investors are likely trying to provide portfolio insurance by purchasing stock in companies considered to be more resilient in the event of a downturn. This trend was of clear benefit to the Amana Income Fund with Eli Lilly, Pfizer, and Bristol-Myers all among the top contributors. Lilly and Bristol-Myers are somewhat unique within the industry in that they are not facing major patent expirations. As a result, sales growth should be resilient in coming years. Pfizer does face significant patent expirations and its CEO has recently announced his planned retirement. His successor may need to engage in corporate re-engineering to keep Pfizer's wide-moat business on track.

Investors also seem to have made peace with the reality of tariffs, judging by the solid performance of Parker Hannifin, Honeywell, Rockwell, and Carlisle. The Industrials sector, which accounts for a large portion of the Amana Income Fund's investments, suffered earlier in the year but is now recovering.

Given that only half of the Fund's most significant detractors had a negative return, it was clearly a solid quarter. Among those that did decline, the chip makers were most affected. We believe that consolidation and the ubiquity of semiconductors in today's products has ameliorated the cyclicality of the past. Although diminished, the cycle lives and was a top concern among investors during the quarter. We believe that weakness may continue over the short to medium term, but the long-term outlook remains remarkably bright with the transition to 5G wireless communications, the continuing growth of the Internet of Things, and the development of autonomous driving.

Ely Lilly's strong performance raised it to the largest position within the Fund, while Pfizer entered the Top 10 Holdings list, replacing DowDuPont. The weak performance of semiconductor companies Microchip and Intel led to their being replaced by spice merchant McCormick and paint supplier PPG Industries.

As of September 30, 2018

10 Largest Contributors	Return	Contribution
Eli Lilly	26.45%	1.02
Pfizer	22.51%	0.68
Microsoft	16.43%	0.65
Parker Hannifin	18.53%	0.57
Honeywell International	16.07%	0.50
Rockwell Automation	13.41%	0.48
Taiwan Semiconductor ADR	20.79%	0.47
McCormick & Co	13.98%	0.41
Bristol-Myers Squibb	12.98%	0.34
Carlisle	12.81%	0.34

10 Largest Detractors	Return	Contribution
Microchip Technology	-12.86%	-0.42
Intel	-4.29%	-0.13
DowDuPont	-1.91%	-0.05
JM Smucker	-3.81%	-0.05
General Mills	-1.96%	-0.03
Unilever ADR	0.23%	0.00
Cisco Systems	1.84%	0.01
GlaxoSmithKline ADR	0.87%	0.01
Procter & Gamble	7.59%	0.02
Nutrien	6.80%	0.04

Top 10 Holdings	Portfolio Weight
Eli Lilly	4.75%
Microsoft	4.49%
Rockwell Automation	4.02%
3M	3.91%
Pfizer	3.62%
Parker Hannifin	3.61%
Honeywell International	3.57%
Canadian National Railway	3.43%
McCormick & Co	3.30%
PPG Industries	3.12%

30-Day Yield	
Investor Shares (AMANX):	1.08%
Institutional Shares (AMINX):	1.31%

Asset-weighted average debt to market cap: 17.0%

Amana Growth Fund

The Amana Growth Fund Investor Shares jumped 12.72% in the third quarter, far ahead of the 7.71% return for the S&P 500 and the 7.54% increase for the Morningstar Large Growth Category. Year-to-date the Fund has gained 16.88%, outpacing the 10.56% S&P 500 return and the 15.64% return in the Large Growth Category.

Technology dominated the top performers in the third quarter, while Retail and Industrials also appeared. Apple, Adobe, Taiwan Semiconductor and Xilinx have regularly been among the top contributors for a number of years and require no introduction. Following on from initial disappointment over its failed acquisition of NXP Semiconductors, Qualcomm embarked on a large share buyback that boosted its performance. GPS leader Trimble experienced a difficult first half following weak fourth quarter results in 2017 but rebounded strongly in the third quarter on buoyant second quarter numbers. The solid performance of Turbo Tax provider Intuit is no surprise given changes to the tax code. Since the last presidential election, the shares have nearly doubled.

Railways, including Norfolk Southern, have performed well in 2018. Since an American railway cannot domicile part of its business in Ireland to reduce tax liabilities, they have benefited tremendously from the reduction in corporate tax rates. With most railways being entirely domestic businesses, neither are they required to take charges against overseas cash holdings. While volumes have been lackluster, pricing has been solid and the companies have used cash to pay reasonable dividends, while reducing share count and boosting earnings through buybacks.

One conspicuous absence among the top performers is Amazon. We do not own the stock since it does not conform to the investment guidelines of the Fund. The Fund's excellent third quarter performance without the benefit of owning the world's second largest stock by market capitalization during a period of double-digit price appreciation, speaks to the quality of the stock selection throughout the portfolio.

Similar to the Amana Income Fund, over half of the largest "detractors" made a positive contribution to Fund performance. ASML, which makes lithography machines for the manufacture of semiconductors, weakened along with the much of the rest of that industry but has been an outstanding long-term investment.

The only change among the Top 10 Holdings since last quarter was Harris ascending to the list, while ASML dropped off.

As of September 30, 2018

10 Largest Contributors	Return	Contribution
Apple	22.38%	1.17
Trimble	32.34%	0.89
Qualcomm	29.49%	0.74
TJX Companies	18.16%	0.66
Adobe Systems	10.72%	0.65
Intuit	11.51%	0.58
Harris	17.56%	0.55
Taiwan Semiconductor ADR	20.79%	0.52
Norfolk Southern	20.20%	0.51
Xilinx	23.45%	0.50

10 Largest Detractors	Return	Contribution
ASML Holding	-5.03%	-0.15
Dentsply Sirona	-13.58%	-0.07
Emcor Group	-1.30%	-0.03
Convergys	-2.44%	-0.01
PepsiCo	3.53%	0.05
Estee Lauder, Class A	2.12%	0.06
Novo- Nordisk ADR	3.21%	0.10
Celgene	12.68%	0.12
Lincoln Electric Holdings	6.91%	0.12
SAP ADR	6.35%	0.13

Top 10 Holdings	Portfolio Weight
Adobe Systems	6.33%
Apple	5.92%
Intuit	5.33%
TJX Companies	4.08%
Amgen	3.83%
Cisco Systems	3.80%
Church & Dwight	3.71%
Estee Lauder, Class A	3.47%
Alphabet, Class A	3.46%
Harris	3.44%

Asset-weighted average debt to market cap: 12.0%

Performance data quoted herein represents past performance and does not guarantee future results.

Amana Developing World Fund

In the third quarter, the Amana Developing World Fund outperformed the Morningstar Diversified Emerging Markets Category, shedding -1.95% versus -2.47%, while underperforming the MSCI Emerging Markets Index return of -1.09%. The more developed world-focused MSCI All Country World Index Ex-USA (ACWI) gained 0.70% in the quarter. Despite the relative improvement in the second quarter, the Fund's year-to-date return of -10.56% lags the EM Category and ACWI, which have returned -9.37% and -7.68%, respectively.

The Amana Developing World Fund experienced a diverse collection of contributors in the quarter representing five countries and, depending on how you count them, seven industries. Taiwan Semiconductor was added to the Fund soon after the Island Republic was added to the list of investable countries. After an initial period of weakness, it has now made a solid positive contribution. Apparel maker VF Corp continues to restructure its portfolio under a new CEO and has recently announced plans to divest its jeans operations (Lee and Wrangler). In Hong Kong/China, Kerry and Techtronic both rebounded from tariff concerns earlier in the year, while Thai investments Bangkok Airways and Advanced Info have benefitted from the Kingdom's solid finances. We view Aeropotuario Sureste as a hedge on Mexican currency weakness since a cheap peso can mean more tourists, while Kansas City Southern clearly benefits from the re-negotiation of NAFTA.

Chinese internet messaging and game leader Tencent has been a tremendous investment, more than doubling since its initial purchase in late 2015. Nonetheless, it has suffered a tough 2018 due to regulatory uncertainty, including caps on the number of game approvals. We view these developments as short-term noise that does not detract from the long-term attractions of the business. South African Healthcare firm Aspen Pharmacare was punished for disposing of its infant nutrition business, which is a surprising reaction. The industry is competitive with several companies of far greater resources than Aspen participating. Taiwanese tech companies Sercomm and Silergy were victims of the same cyclical currents that hit many semiconductor companies during the quarter. South African gold miner Randgold is one of the best operators in the business but cannot overcome persistent weakness in the gold price. Toward the end of the quarter, it was announced that Randgold will merge with Barrick Gold, which may require us to divest the position.

As of September 30, 2018

10 Largest Contributors	Return	Contribution
Taiwan Semiconductor ADR	20.79%	0.53
VF	15.22%	0.49
Kerry Logistics Network	21.69%	0.42
Techtronic Industries	15.49%	0.42
Advantech	16.89%	0.33
Bangkok Airways	20.23%	0.27
International Flavors & Fragrances	12.81%	0.27
Advanced Info Service	13.30%	0.25
Grupo Aeroportuario Sureste ADR	28.88%	0.21
Kansas City Southern Industries	7.23%	0.16

10 Largest Detractors	Return	Contribution
Tencent Holdings ADR	-18.73%	-1.13
Aspen Pharmacare Holdings	-36.42%	-0.66
Clicks Group	-13.70%	-0.63
Sercomm	-25.54%	-0.51
Silergy	-25.32%	-0.43
Ford Otomotiv Sanayi	-18.23%	-0.42
Naspers ADR	-14.45%	-0.38
IHH Healthcare	-16.66%	-0.26
Randgold Resources ADR	-8.48%	-0.21
Copa Holdings, Class A	-14.68%	-0.19

Top 10 Holdings	Portfolio Weight
Tencent Holdings ADR	5.10%
VF	3.89%
SM Prime Holdings	3.74%
Clicks Group	3.34%
Samsonite International	3.34%
Taiwan Semiconductor ADR	3.22%
Techtronic Industries	3.10%
Colgate-Palmolive	2.93%
Hong Kong & China Gas	2.90%
Unilever ADR	2.80%

Asset-weighted average debt to market cap: 15.2%

Over the last quarter Chinese internet search firm Baidu, South African media conglomerate Naspers, and Indonesian telecom incumbent Telekomunikasi all dropped out of the Top 10 Holdings and were replaced by Colgate-Palmolive, Techtronic, and Taiwan Semiconductor.

Amana Participation Fund

As of September 30, 2018

Top 10 Holdings	Portfolio Weight
DIFC Sukuk	4.68%
EMG Sukuk	4.63%
Equate Sukuk Spc	4.59%
DP World Crescent	4.22%
ICD Sukuk	4.20%
DIB Sukuk	4.20%
SIB Sukuk Co III	4.16%
KSA Sukuk	4.12%
Al Shindagha Sukuk	4.09%
MAF Sukuk	3.90%

30-Day Yield	
Investor Shares (AMAPX):	3.14%
Institutional Shares (AMIPX):	3.38%

Credit Profile	
AA	5.80%
A	34.34%
BBB	47.25%
B	4.27%
Cash and equivalents	8.34%

Credit ratings are the lesser of S&P Global Ratings or Moody's Investors Service. If neither S&P nor Moody's rate a particular security, that security is categorized as not rated (except for US Treasury securities and securities issued or backed by US agencies which inherit the credit rating for the US government). Ratings range from AAA (highest) to D (lowest). Bonds rated BBB or above are considered investment grade. Credit ratings BB and below are lower-rated securities (junk bonds). Ratings apply to the creditworthiness of the issuers of the underlying securities and not the Fund or its shares. Ratings may be subject to change.

The end of the third quarter of 2018 marks an important and significant milestone: the Amana Participation Fund's third year in operation. We want to sincerely thank our investors, as we continue to build on our success in offering the very first, and only, fully Shariah compliant, non-equity income producing fund in the United States.

Foreign bond markets have experienced substantial volatility in 2018. Reflecting the challenging environment, emerging market debt benchmarks declined notably. For example, the J.P. Morgan Government Bond Index Emerging Markets Global Core and MSCI Emerging Markets Index having declined by -9.30% and -7.68% year to date, respectively. The precipitous decline can be attributed to multiple factors including a strong US dollar, rising US interest rates, growing foreign debt balances, and destabilizing trade relationships with US partners. Some of these factors, while at times pronounced, are transitory and are all part of the ever-evolving global investment environment.

Throughout this period, the Amana Participation Fund has remained resilient, in part, due to the ownership of high-quality issuers with strong balance sheets. During the quarter, the Amana Participation Fund Institutional Shares gained 0.76%, compared to the 0.74% return of the FTSE Sukuk Index. Over the same period, the Amana Participation Investor Shares reported a 0.70% gain. Year-to-date, the Amana Participation Fund Institutional Shares declined -0.17% outperforming the FTSE Sukuk Index by 19 bps which posted a return of -0.36%. Over the same period, the Amana Participation Investor Shares reported a -0.44% decline. The portfolio holds 29 separate issues posting a modified duration of 3.3 years, a 30-day yield for the Institutional Shares of 3.38%, and a 30-day yield for the Investor Shares of 3.14%.

Since the Fund's inception, the Amana Participation Fund Institutional Shares has generated a total return of 4.50%, underperforming the FTSE Sukuk Index which has posted a total return of 8.01%. Over the same period the Amana Participation Investor Shares reported a total return of 3.76%. The performance difference can be attributed to the Fund and sukuk benchmark having different objectives. The Participation Fund's investment objective is capital preservation and current income consistent with Islamic principles, while the FTSE Sukuk benchmark measures the performance of global Islamic fixed income securities. The Fund targets a dollar-weighted average maturity between two and five years, a policy that aims to mitigate duration risk and helps the Fund meet its primary objective of capital preservation. Unlike the Fund, the FTSE Sukuk benchmark holds several securities with maturities that extend into the early 2040s. Additionally, the Fund intentionally has a smaller exposure to countries that tend to experience greater price volatility relative to the broader sukuk market. Some of the more price-volatile regions have included Indonesia, Turkey, and South Africa. As of the third quarter, the FTSE Sukuk benchmark had a 18.15% exposure to Indonesia, 1.86% allocation to Turkey and 0.72% weighting to South Africa. For the same period, the Amana Participation Fund had a 3.88% exposure to Indonesia with no investment exposure to issuers domiciled in Turkey or South Africa.

Continued on page 12

Performance Summary

As of September 30, 2018

Average Annual Total Returns *(Before Taxes)*	Ticker	1 Year	3 Year	5 Year	10 Year	Expense Ratio
Income Fund Investor Shares	AMANX	11.60% ▲	13.82% ▲	9.92% ▲	10.01% ▲	1.10%
Income Fund Institutional Shares	AMINX	11.86% ▲	14.11% ▲	10.19% ▲	n/a	0.87%
S&P 500 Index		17.91% ▲	17.33% ▲	13.96% ▲	11.97% ▲	n/a
Growth Fund Investor Shares	AMAGX	24.93% ▲	19.51% ▲	15.00% ▲	11.96% ▲	1.08%
Growth Fund Institutional Shares	AMIGX	25.21% ▲	19.80% ▲	15.27% ▲	n/a	0.85%
S&P 500 Index		17.91% ▲	17.33% ▲	13.96% ▲	11.97% ▲	n/a
Developing World Fund Investor Shares	AMDWX	-7.37% ▼	3.66% ▲	-1.89% ▼	n/a	1.31%
Developing World Fund Institutional Shares	AMIDX	-7.27% ▼	3.84% ▲	-1.64% ▼	n/a	1.13%
MSCI Emerging Markets Index		-0.81% ▲	12.37% ▲	3.62% ▲	5.40% ▲	n/a
Participation Fund Investor Shares	AMAPX	-0.55% ▼	1.24% ▲	n/a	n/a	0.87%
Participation Fund Institutional Shares	AMIPX	-0.31% ▼	1.48% ▲	n/a	n/a	0.62%
FTSE Sukuk Index		-0.43% ▼	2.63% ▲	3.43% ▲	4.69% ▲	n/a

Expense ratios shown are as stated in the Funds' most recent Prospectus dated September 28, 2018.

Performance data quoted represents past performance, is before any taxes payable by shareowners, and is no guarantee of future results. *Current performance may be higher or lower than that stated herein. Performance current to the most recent month-end is available by calling toll-free 1-800-728-8762 or visiting www.amanafunds.com. Average annual total returns are historical and include change in share value as well as reinvestment of dividends and capital gains, if any. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Shares of a Fund may only be offered for sale through the Fund's prospectus or summary prospectus.*

The S&P 500 is an index comprised of 500 widely held common stocks considered to be representative of the US stock market in general. The MSCI Emerging Markets Index, produced by Morgan Stanley Capital International, measures equity market performance in over 20 emerging market countries. The MSCI ACWI Ex-US Index, produced by Morgan Stanley Capital International, measures equity market performance throughout the world excluding US-based companies. The FTSE Sukuk Index measures the performance of global Islamic fixed income securities, also known as sukuk. The FTSE All-World Ex-US Index comprises Large and Mid cap stocks providing coverage of Developed and Emerging Markets excluding the US. When available, Saturna uses total return components of indices mentioned. Investors cannot invest directly in the indices.

Institutional Shares of the Amana Funds began operations September 25, 2013.

The Amana Developing World Fund began operations September 28, 2009.

The Amana Participation Fund began operations September 28, 2015.

***Income**, **Growth**, **Developing World**, and **Participation** Funds: The value of the shares of each of the Funds rises and falls as the value of the securities in which the Funds invest goes up and down. The Amana Mutual Funds limit the securities they purchase to those consistent with Islamic principles. This limits opportunities and may affect performance. Each of the Funds may invest in securities that are not traded in the United States. Investments in the securities of foreign issuers may involve risks in addition to those normally associated with investments in the securities of US issuers. These risks include currency and market fluctuations, and political or social instability. The risks of foreign investing are generally magnified in the smaller and more volatile securities markets of the developing world.*

***Growth Fund**: The smaller and less seasoned companies that may be in the Growth Fund have a greater risk of price volatility.*

***Participation Fund**: While the Participation Fund does not invest in conventional bonds, risks similar to those of conventional nondiversified fixed-income funds apply. These include: diversification and concentration risk, liquidity risk, interest rate risk, credit risk, and high-yield risk. The Participation Fund also includes risks specific to investments in Islamic fixed-income instruments. The structural complexity of sukuk, along with the weak infrastructure of the sukuk market, increases risk. Compared to rights of conventional bondholders, holders of sukuk may have limited ability to pursue legal recourse to enforce the terms of the sukuk or to restructure the sukuk in order to seek recovery of principal. Sukuk are also subject to the risk that some Islamic scholars may deem certain sukuk as not meeting Islamic investment principles subsequent to the sukuk being issued.*

Morningstar Ratings™

As of September 30, 2018

Morningstar Ratings™ [A]	Overall	1 Year	3 Year	5 Year	10 Year	Sustainability Rating™ [B]
Amana Income Fund – "Large Blend" Category						
Investor Shares (AMANX)	★★★	n/a	★★	★★	★★★	🌐🌐🌐🌐🌐
% Rank in Category	n/a	87	80	86	76	1
Institutional Shares (AMINX)	★★	n/a	★★	★★	☆☆☆	🌐🌐🌐🌐🌐
% Rank in Category	n/a	85	77	84	73	1
Number of Funds in Category	1,196	1,383	1,196	1,058	794	1,184
Amana Growth Fund – "Large Growth" Category						
Investor Shares (AMAGX)	★★★	n/a	★★★★	★★★	★★★	🌐🌐🌐🌐🌐
% Rank in Category	n/a	39	29	40	65	1
Institutional Shares (AMIGX)	★★★	n/a	★★★★	★★★	☆☆☆	🌐🌐🌐🌐🌐
% Rank in Category	n/a	36	25	36	62	1
Number of Funds in Category	1,258	1,430	1,258	1,129	818	1,251
Amana Developing World Fund – "Diversified Emerging Markets" Category						
Investor Shares (AMDWX)	★	n/a	★	★	n/a	🌐🌐🌐🌐🌐
% Rank in Category	n/a	82	96	98	n/a	10
Institutional Shares (AMIDX)	★	n/a	★	★	n/a	🌐🌐🌐🌐🌐
% Rank in Category	n/a	81	96	97	n/a	10
Number of Funds in Category	708	838	708	508	n/a	695

The Morningstar Sustainability Rating and the Morningstar Portfolio Sustainability Score are not based on fund performance and are not equivalent to the Morningstar Rating ("Star Rating").

[A] Morningstar Ratings™ ("Star Ratings") are as of September 30, 2018. The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance (not including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

% Rank in Category is the fund's percentile rank for the specified time period relative to all funds that have the same Morningstar category. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100. The top-performing fund in a category will always receive a rank of 1. Percentile ranks within categories are most useful in those categories that have a large number of funds.

[B] Morningstar Sustainability Ratings are as of August 31, 2018. The Morningstar Sustainability Rating™ is intended to measure how well the issuing companies of the securities within a fund's portfolio are managing their environmental, social, and governance ("ESG") risks and opportunities relative to the fund's Morningstar category peers. The Morningstar Sustainability Rating calculation is a two-step process. First, each fund with at least 50% of assets covered by a company-level ESG score from Sustainalytics receives a Morningstar Portfolio Sustainability Score™. The Morningstar Portfolio Sustainability Score is an asset-weighted average of normalized company-level ESG scores with deductions made for controversial incidents by the issuing companies, such as environmental accidents, fraud, or discriminatory behavior. The Morningstar Sustainability Rating is then assigned to all scored funds within Morningstar Categories in which at least ten (10) funds receive a Portfolio Sustainability Score and is determined by each fund's rank within the following distribution: High (highest 10%), Above Average (next 22.5%), Average (next 35%), Below Average (next 22.5%), and Low (lowest 10%). The Morningstar Sustainability Rating is depicted by globe icons where High equals 5 globes and Low equals 1 globe. A Sustainability Rating is assigned to any fund that has more than half of its underlying assets rated by Sustainalytics and is within a Morningstar Category with at least 10 scored funds; therefore, the rating it is not limited to funds with explicit sustainable or responsible investment mandates. Morningstar updates its Sustainability Ratings monthly. Portfolios receive a Morningstar Portfolio Sustainability Score and Sustainability Rating one month and six business days after their reported as-of date based on the most recent portfolio. As part of the evaluation process, Morningstar uses Sustainalytics' ESG scores from the same month as the portfolio as-of date.

The Fund's portfolios are actively managed and is subject to change, which may result in a different Morningstar Sustainability Score and Rating each month.

The Funds were rated on the following percentages of Assets Under Management:

Amana Income Fund	*96%*
Amana Growth Fund	*98%*
Amana Developing World Fund	*80%*

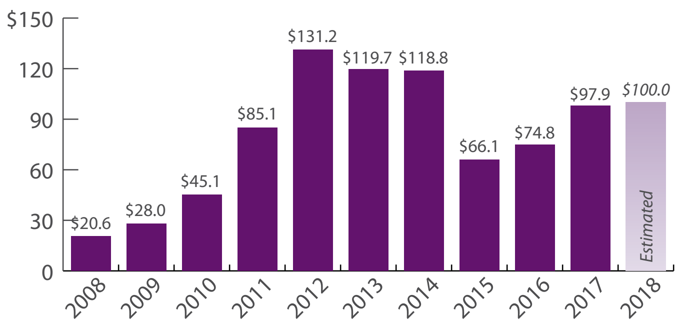
The Amana Mutual Funds offer two share classes – Investor Shares and Institutional Shares, each of which has different expense structures.

The Amana Participation Fund has not yet been rated by Morningstar.

Amana Participation Fund, *continued from page 9*

The rising price of oil has also helped may of the sovereign issuers of the Gulf Cooperative Council (GCC) to reduce deficits and strengthen their fiscal profile. For example, the credit rating agency S&P gives Abu Dhabi an 'AA' credit rating, Kuwait an 'AA,' Qatar an 'AA-,' Saudi Arabia an 'A-,' and Malaysia an 'A-.' Such strong credit ratings are often found among developed countries rather than emerging market countries. As a result, these factors have offered a favorable investment climate which continues to attract global investors to purchase GCC sukuk and conventional debt issues. Issuance among the GCC region remains extremely supportive as Moody's projects global sukuk issuance to reach $90-$100 billion in 2018, in line with 2017 levels.[3]

Global *Sukuk* Issuance, USD, billions



Source: International Islamic Finance Market (IIFM), RAM Ratings, Moody's Investors Service

The two top-performing issues for the quarter were Oman's sovereign sukuk (OMANGS 4.397 06/01/24) posting a return of 3.26% followed by Qatar's sovereign sukuk (QATAR 3.241 01/18/23) posting a return of 1.96%. The two worse performing issues were TF Varlik Kiralama A.S. (TUFIKA 5.375 04/24/19) declining -0.36% followed by the Saudi Electric Utility (SECO 4 04/08/24) rising 0.21%.

Footnotes to commentary:

[1] *Pets.com is a high profile example of a dot-com IPO implosion. https://en.wikipedia.org/wiki/Pets.com*

[2] *Roberts, Adrienne. Auto Sales Sputtered in September Amid Rising Interest Rates, Trade Concerns, The Wall Street Journal, October 2, 2018. https://www.wsj.com/articles/auto-sales-sputter-in-september-amid-rising-interest-rates-trade-concerns-1538503880?mod=hp_lista_pos3 https://data.worldbank.org/indicator/NE.EXP.GNFS.ZS?year_high_desc=true*

[3] *Moody's Investor Service: Sukuk issuance to remain broadly stable in 2018, Press Release, September 4, 2018. https://www.salaamgateway.com/en/story/moodys_sukuk_issuance_to_remain_broadly_stable_in_2018-SALAAM04092018081557/*

About The Authors

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Scott Klimo, Chief Investment Officer and Portfolio Manager, joined Saturna Capital in May 2012. He received his BA in Asian Studies from Hamilton College in Clinton, NY and also attended the Chinese University of Hong Kong and the Mandarin Training Center in Taipei, Taiwan. Mr. Klimo has over 30 years experience in the financial industry with the first several years of his career spent living and working in a variety of Asian countries and the past 20 years working as a senior analyst, research director, and portfolio manager covering global equities. Mr. Klimo is a chartered financial analyst (CFA) charterholder. He is a supporter of various environmental organizations and served for several years on the Board of Directors of the Marin County Bicycle Coalition.

Patrick Drum MBA, CFA, CFP®
Senior Investment Analyst
Amana Participation Fund Portfolio Manager

Patrick T. Drum, Research Analyst and Portfolio Manager, joined Saturna Capital in October 2014. He is a select member of the United Nations Principles for Responsible Investment (UNPRI) Fixed Income Outreach Subcommittee and an adjunct professor of finance at Pinchot University, formerly known as Bainbridge Graduate Institute (BGI). Mr. Drum has nearly 10 years of experience integrating ESG considerations into fixed income portfolio management. He holds a BA in economics from Western Washington University and an MBA from Seattle University Albers School of Business. He is a Chartered Financial Analyst Charterholder (CFA) and a Certified Financial Planner®. Mr. Drum has more than 20 years of investment experience in serving institutions and private clients.

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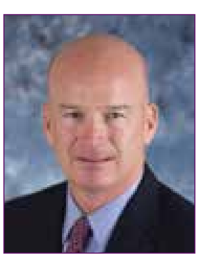
Senior Investment Analyst

Bryce Fegley, CFA, CIPM, Investment Analyst & Sextant Global High Income Fund Portfolio Manager, joined Saturna Capital in 2001 and worked in brokerage/trading and later as an investment analyst. Beginning in 2010, he spent two years as President of our Malaysian subsidiary, Saturna Sdn Bhd, directing its research and fund management operations. In 2012 he returned to Saturna Capital headquarters. Prior to joining Saturna, Mr. Fegley worked in brokerage operations in Seattle from 1997-2000. Originally from upstate New York, he studied at the University of Colorado at Boulder earning his BA in English Literature. Mr. Fegley earned an MS in Computational Finance and Risk Management from the University of Washington in December 2017. His volunteer activities include a board role with the Whatcom Family YMCA.



Chris Paul MBA, CFA
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Chris Paul, Senior Investment Analyst, joined Saturna Capital in August 2016. He earned an MBA Finance from New York University and a BS in Computer Science from Syracuse University. Mr. Paul is a Chartered Financial Analyst® (CFA®) charterholder and Portfolio Manager of the Sextant Core Fund. His experience includes research and management positions at asset management firms and investment banks, as well as finance and operations roles at technology companies.

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Asset-weighted average debt to market capitalization*: This ratio represents the average debt to market capitalization of the portfolio. It is calculated by taking the debt to market capitalization for each company (its debt divided by its market capitalization), then weighting these values (multiplying each by the company's percent share of total portfolio assets), then totaling the weighted values.*

Effective maturity *and* ***modified duration*** *are measures of a fund's sensitivity to changes in interest rates and the markets. A fund's effective maturity is a dollar-weighted average length of time until principal payments must be paid. Longer maturities typically indicate greater sensitivity to interest rate changes than shorter maturities. Modified duration differs from effective maturity in that it accounts for interest payments in addition to the length of time until principal payments must be paid. Longer durations tend to indicate greater sensitivity to interest rate changes than shorter durations. Call options and other security specific covenants may be used when calculating effective maturity and modified duration.*

Forward price-to-earnings *is a quantification of the ratio of price-to-earnings (PE) using forecasted earnings for the PE calculation. While the earnings used are estimates and are not as reliable as current earnings data, the benefit in using estimated PE is that the forecasted earnings can either be for the next 12 months or for the next full-year fiscal period.*

A Fund's ***30-Day Yield****, sometimes referred to as standardized yield, current yield, or SEC yield, is based on methods of computation prescribed in SEC Form N-1A. Calculated by dividing the net investment income per share during the preceding 30 days by the net asset value per share on the last day of the period, the 30-Day Yield provides an estimate of a Fund's investment income rate, but may not equal the actual income distribution rate.*

We note that unlike many funds, the Amana Funds' expenses are not subsidized by its adviser, Saturna Capital, therefore the 30-Day Yields presented are actual, according to the SEC's calculation methodology.