Fund Commentary Q2 2019

Saturna Capital

Sextant Mutual Funds

Please consider an investment's objectives, risks, charges, and expenses carefully before investing. To obtain this and other important information about the Sextant Mutual Funds in a current prospectus or summary prospectus, please visit www.sextantfunds.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 Sextant Mutual Funds.

Something Wicked This Way Comes?

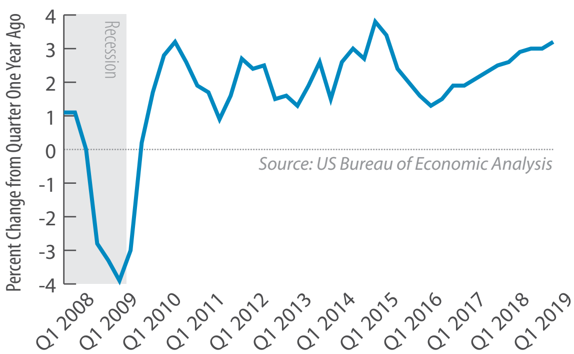
Looking at the 18.54% total return for the S&P 500 through the first half of the year, the 14.49% return for the MSCI EAFE Index (non-US developed world), or the 10.58% gain for the MSCI Emerging Markets ETF, one could be forgiven for believing world economies and corporate profitability have entered a Golden Era of buoyant confidence, linear expansion, and wisely benign governance. If only we were so lucky.

We believed the market sell-off in the fourth quarter of 2018 was overdone and expected a rebound. Six-month double-digit returns, however, were not anticipated providing a timely reminder of the need to remain fully invested. In September of last year, who predicted markets would nose dive the final three months and then reverse to become the bull market we have experienced year-to-date? Investors scared out of the market during the downturn are unlikely to have picked the bottom to re-establish positions and, as a result, their returns may have suffered. As Charlie Munger said, “The big money is not in the buying or the selling, but in the waiting.”

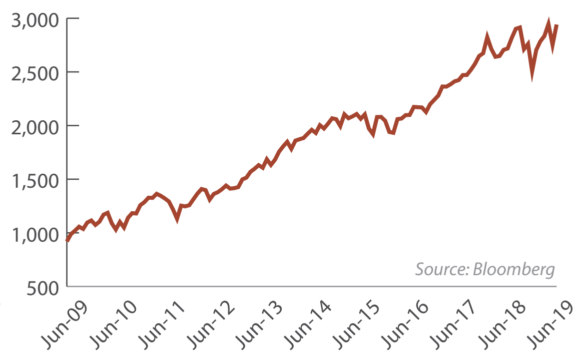
We recognize it can be difficult to avoid the temptation of market timing, especially today as the US economy sets records for the longest expansion and the S&P 500 has moved back into all-time high territory. Meanwhile, macroeconomic indicators largely tell a story of slowing economies and coming recession and companies are busily downgrading their earnings growth expectations. We believe the Sextant Funds are positioned to perform well in both up and down markets.

US Economic Expansion Setting Records

Real Gross Domestic Product



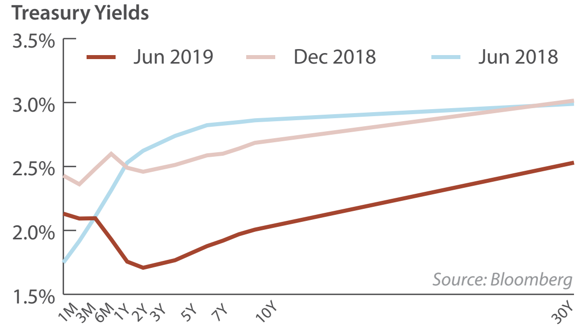
S&P 500 Index



A continuously rising stock market during a period of uninterrupted economic growth comes as no surprise, but stocks are supposed to discount future developments. The indications of economic growth provided by the fixed-income market are unenthusiastic. One of the most potent predictors of future economic performance has been the yield curve. While not technically inverted at the classic two-year and 10-year maturities, the curve has been trending in that direction. Through the first half, the yield on the 10-year Treasury dropped from 2.75% to 2% and sunk below 2% at the start of July; perilously close to the two-year T-bill yield of 1.77%. We should note, however, that yield curve inversion generally precedes a recession by a year or more.

Yield Curve Inverting?

Treasury Yields

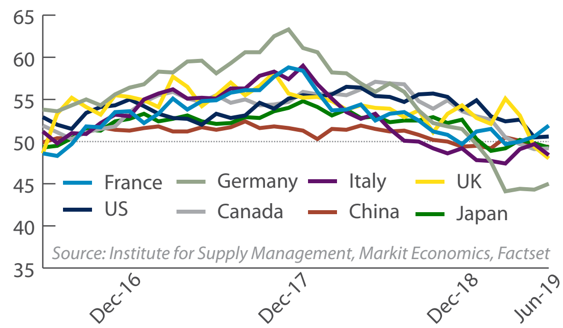


The Federal Reserve bolstered the bond market's message by indicating recently that weak economic performance made it likely that rates will be cut this year. Futures markets currently anticipate at least two rate cuts in 2019.[1]

Another important indicator of the economic outlook is the Purchasing Managers Index or PMI. Manufacturing PMIs have been declining around the world. PMIs are diffusion indices, meaning that any number above 50 represents expansion, while a number below indicates contraction. The manufacturing PMI for the US remains in positive, albeit less buoyant territory, while PMIs across Europe and Japan have moved into contraction.

Heading into Contraction Territory?

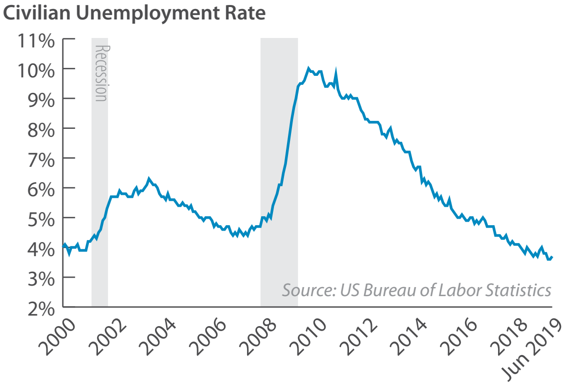
Selected Global PMIs



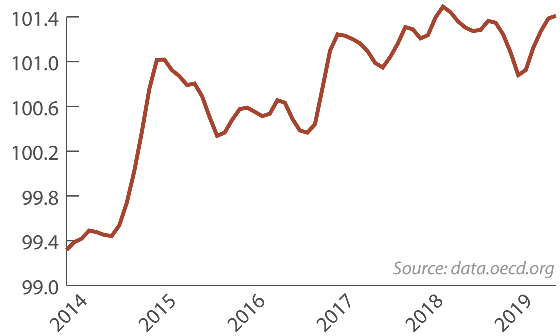
Developed market economies are driven by services and consumption. Here the picture is robust with unemployment at multi-decade lows, leading to higher consumer confidence. These are coincident indicators rather than leading.

Unemployment at Multi-Decade Lows, Leading to Higher Consumer Confidence

Civilian Unemployment Rate



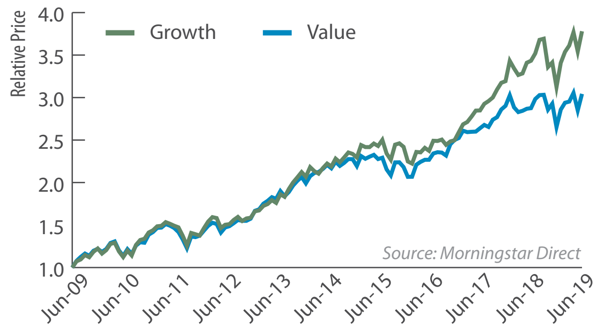
Consumer Confidence Index



Growth or Value?

Nobody can predict with any certainty how the market will perform over the coming quarters. One driving force may be the dearth of attractive alternatives. Interest rates are low and an unprecedented portion of fixed income securities offer negative yields, especially in Europe. Apart from the general direction of the market, another question is what types of stocks might attract investor attention? We can review how different types of stocks have performed over the past several years, which may provide guidance for positioning going forward. The most obvious differentiation over the past decade has been between growth and value, as illustrated in the chart below. With market titans such as Apple, Microsoft, Google, and Amazon leading the way, technology stocks (which, in most cases if not all, fall into the growth category) have provided most of the impetus behind ever-climbing market indices. In an economic downturn does growth continue as the favored choice of equity investors? If the indications from the bond market and developments in the Purchasing Managers Index are correct, value may once again have its day in the sun.

Growth versus Value: 2009 – 2019



Sextant Growth Fund

As of June 30, 2019

The Sextant Growth Fund enjoyed a solid second quarter, rising 5.91% vs. the 4.30% return for the S&P 500 Index and the 4.63% gain tallied by the Morningstar Large Growth category. Through the first half of the year, the Fund appreciated 22.30%, surpassing both the S&P 500 and Morningstar category returns of 18.54% and 21.11% respectively.

Technology dominated Fund returns with Microsoft, Adobe, Amazon, Apple, Trimble, and Qualcomm all featuring among the top contributors. None of these stocks require any introduction. Starbucks has started to demonstrate better metrics in China, which is essential to the firm's long-term growth and success. Ecolab, which provides sanitation, cleaning, and water management services has performed well throughout the year with double-digit earnings expansion expected through 2021. Ally is a major participant in financing used vehicles and has benefitted from softness in the new car market.

Alphabet (Google) is not a stock we are accustomed to seeing among the top detractors, but concerns are growing that government authorities may look at new definitions of concentration in order to reign in the big tech companies. For the time being we see this more as noise than a real risk. Lowe's has had a disappointing start to the year with more than one execution faux pas, but we chalk this up to the wholesale housecleaning undertaken by the CEO who assumed his position last year and remain committed to the thesis of widening margins over time. Bristol-Myers was sold down when the government required it to dispose of a significant drug from Celgene, its planned acquisition, for authorities to allow the deal to proceed. After rocketing higher through April, Xilinx sold off sharply with US government actions against Huawei adding uncertainty to the rollout of 5G wireless technology. Only a portion of the top detractors saw their share prices decline.

Big box diversified retailer Costco replaced big box home improvement store Lowe's among the top 10 holdings.

10 Largest Contributors	Return	Contribution
Microsoft	14.00%	0.76
Mastercard, Class A	12.51%	0.64
Adobe	10.57%	0.62
Amazon	6.34%	0.40
Starbucks	13.29%	0.36
Ecolab	12.11%	0.34
Ally Financial	13.38%	0.31
Apple	4.60%	0.29
Trimble	11.66%	0.28
Qualcomm	34.62%	0.28

10 Largest Detractors	Return	Contribution
Alphabet, Class A	-7.99%	-0.52
Lowe's	-7.43%	-0.22
Xilinx	-6.70%	-0.16
Edwards Lifesciences	-3.44%	-0.09
Bristol-Myers Squibb	-4.11%	-0.07
Amgen	-6.78%	-0.06
Nike, Class B	-0.02%	0.00
TJX Companies	-0.18%	0.00
Merck	3.33%	0.03
Stryker	4.35%	0.06

Top 10 Holdings	Portfolio Weight
Amazon	6.89%
Adobe	6.52%
Apple	6.46%
Microsoft	6.03%
Mastercard, Class A	5.61%
Abbott Laboratories	4.16%
Alphabet, Class A	4.08%
Worldpay, Class A	3.50%
Costco Wholesale	3.07%
Stanley Black & Decker	2.99%

Sextant International Fund

As of June 30, 2019

The Sextant International Fund continued its strong run in the second quarter, jumping 6.29%, while the MSCI EAFE Index appreciated 3.97%. Year-to-date, the Fund has returned 21.18%, well ahead of the 14.49% return registered by the Index, while also outpacing the 18.29% gain in the Morningstar Foreign Large Growth category.

MercadoLibre, South America's e-Bay/Amazon, has gone from strength to strength this year, with the stock more than doubling in the first half. The shares have been buoyed by the realization of MercadoLibre's advantages as a payment platform, creating an entirely new avenue for value creation. Israeli enterprise software company Nice, which focuses on customer interaction, financial crime, and compliance, is well-placed given growing concerns over computer security. Two airlines, Copa and Air Canada, made solid contributions to Fund returns. Jet fuel prices dropped sharply in mid-May, sparking rallies in both stocks. Despite weakness in semiconductor stocks, lithography leader ASML has continued to perform well, perhaps as investors realize that during the gold rush it's best to be the purveyor of picks and shovels. Over the past couple of years, Unilever has been unimpressive but its majority exposure to emerging markets has brought it favor in an environment of slowing developed economies.

The fact that only four of the top 10 detractors actually detracted from Fund returns illustrates the solid second quarter Fund performance. Spanish utility Iberdrola, global consulting firm Accenture, and Canadian software firm Open Text are all new additions to the portfolio. Although Belmond appears among the detractors, its acquisition by LVMH was completed, contributing to increased cash that needed to be absorbed through new investments. Novo-Nordisk has suffered along with other drug companies due to political noise around drug pricing, of which insulin has been a focus. Sinopharm performed the worst of all of our holdings in the Fund, which is something of a mystery given that first quarter results were ahead of expectations across its three main businesses. The company has an impressive track record of double-digit earnings growth, which took a breather in 2018 but is expected to resume this year and continue through 2021. Stock valuation is attractive, and we will remain invested.

Copa and Toronto-Dominion bank entered the top 10 list at the end of the quarter. Belmond, which was acquired by LVMH, exited the portfolio, while Fomento Economico Mexicano dropped out due to relatively weaker performance.

10 Largest Contributors	Return	Contribution
MercadoLibre	20.49%	1.37
Nice ADR	11.83%	0.87
Wolters Kluwer	8.06%	0.72
Copa Holdings, Class A	21.91%	0.70
ASML Holding	11.82%	0.55
Dassault Systemes ADR	8.14%	0.50
Unilever ADR	8.20%	0.34
Toronto-Dominion Bank	8.50%	0.29
Air Canada	25.97%	0.28
Novartis ADR	7.96%	0.27

10 Largest Detractors	Return	Contribution
Sinopharm Group	-15.48%	-0.22
Novo-Nordisk ADR	-2.43%	-0.14
Mitsubishi UFJ Financial ADR	-4.04%	-0.07
Iberdrola	-1.50%	-0.03
Total ADR	1.61%	0.00
Accenture, Class A	0.10%	0.00
Open Text Corp	-0.25%	0.00
Telus Corp	0.77%	0.01
Belmond, Class A	0.24%	0.01
Nutrien	2.42%	0.01

Top 10 Holdings	Portfolio Weight
Wolters Kluwer	7.43%
MercadoLibre	6.24%
NICE Systems ADR	5.59%
Dassault Systemes ADR	5.58%
ASML Holding	4.24%
Unilever ADR	3.16%
Novartis ADR	3.07%
Copa Holdings, Class A	2.99%
BASF ADR	2.98%
Toronto-Dominion Bank	2.98%

Sextant Global High Income Fund

As of June 30, 2019

The Sextant Global High Income Fund returned 2.41% in the second quarter of 2019, ending the period with $9.9 million of total net assets, including 9.7% of cash and equivalents. The Fund underperformed its equity benchmark, the S&P Global 1200, which returned 4.11%, as well as its fixed-income benchmark, the Bloomberg Barclays Global High Yield Corporate Index, which returned 2.67%. It outperformed its Morningstar World Allocation peer group, which returned 2.33%.

Brazilian toll road operator CCR had the highest return in the Fund during the quarter, rising 21.04%. Last year the company was hobbled by a truckers' strike amid turmoil in Latin America's largest economy, but the company has recovered most of the ground it lost with an improving outlook and regulatory environment.

Semiconductor equipment manufacturer Applied Materials was the Fund's next best performer, rising 13.82%. The uncertainty surrounding the Trump administration's aggressive trade stance has wreaked havoc in the semiconductor industry because it is so deeply integrated in global supply chains. Chip stocks, including Applied Materials have been remarkably volatile in this environment, but we believe the long-term demand outlook for chips remains robust.

The Fund's worst performer in the quarter was South32, a metals and mining company with projects in Australia, Southern Africa, and Brazil. Weakness in base metals prices contributed to the decline. Integrated oil companies Equinor and CNOOC were also Fund laggards for the quarter amid volatile and falling oil prices.

The Fund did not initiate any new positions in the quarter. We added to our position in French telecom provider Orange.

The second quarter was marked by a continued decline in interest rates and anticipation for the Federal Reserve to lower rates later this year amid some deterioration in global macroeconomic conditions. While the US economy continues to be underpinned by a strong labor market that supports its large services sector, political turmoil and trade tensions have contributed to weakening in manufacturing demand that is slowing growth in Europe and China. US and international equity markets remained largely resilient to this situation in the second quarter, and with elevated stock prices and falling bond yields, prospective returns appear lower despite increasing risks on the horizon. Although we continue to find pockets of interesting opportunities, we are evaluating our existing and prospective investments with an increased degree of caution.

10 Largest Contributors	Return	Contribution
Applied Materials	13.82%	0.33
CCR	21.04%	0.27
AT&T	8.57%	0.20
United States Treasury Bond *(6.125% 11/15/2027)*	3.74%	0.19
Mexico Bonos Desarrollo *(6.50% 06/10/2021)*	3.63%	0.15
Itau Unibanco Holding ADR, Class A	7.06%	0.15
Microchip Technology	4.99%	0.13
Royal Dutch Shell ADR, Class A	5.48%	0.13
Burlington Northern Santa Fe *(5.05% 03/01/2041)*	5.81%	0.13
BHP Biliton ADR	6.29%	0.13

10 Largest Detractors	Return	Contribution
South32 ADR	-15.09%	-0.37
Equinor ADR	-8.85%	-0.24
CNOOC Limited ADR	-5.37%	-0.12
GlaxoSmithKline ADR	-3.03%	-0.07
Lincoln National *(4.63150% 04/20/2067)*	-2.78%	-0.06
Micro Focus International ADR	-1.12%	-0.05
Shenzhen Investment Holdings	-1.28%	-0.03
Western Digital	0.05%	0.00
Orange ADR	-0.67%	0.00
Goodrich Petroleum	-4.49%	0.00

Top 10 Holdings	Portfolio Weight	
United States Treasury Bond *(6.125% 11/15/2027)*	*Bond*	5.37%
Mexico Bonos Desarrollo *(6.50% 06/10/2021)*	*Bond*	4.41%
Microchip Technology	*Equity*	3.08%
T-Mobile *(6.50% 01/15/2026)*	*Bond*	2.74%
Applied Materials	*Equity*	2.74%
Jefferies Group *(5.125% 01/20/2023)*	*Bond*	2.72%
AT&T	*Equity*	2.55%
Royal Dutch Shell ADR, Class A	*Equity*	2.51%
Burlington Northern Santa Fe *(5.05% 03/01/2041)*	*Bond*	2.46%
Western Digital	*Equity*	2.41%

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

The Sextant Short-Term Bond Fund returned 1.24% in the second quarter, compared to its benchmark, the FTSE US BIG Govt/Corp 1-3 Year Bond Index, which returned 1.46%. The Morningstar Short-Term Bond Category returned 1.48%. The Sextant Bond Income Fund returned 3.70% during the quarter, compared to the 3.10% return of its benchmark, the FTSE US BIG Bond Index, and the 6.06% average return of the Morningstar Long-Term Bond category.

During the quarter, US yields declined again due to slowing US growth and inflation, along with faltering trade and manufacturing around the globe. US yields declined an additional 0.30% to 0.70% with intermediate and long maturities approaching lows established in 2016. 2019's second quarter is the third consecutive quarter of yield declines that cumulatively total 0.50% to 1.00%. Long US Treasury bonds (20+ years to maturity) posted returns in excess of 12% year to date and have outperformed the S&P 500 by a full 1% per annum over the last 20 years at quarter end.[1]

High-yield debt underperformed US investment grade paper with credit spreads widening slightly during the quarter. Sections of the US Treasury yield curve remained inverted as investors added duration in advance of the widely anticipated ease in US monetary policy. US Treasury yields appear to have now fully discounted a 0.50% cut in the Federal Funds rate in 2019.

Despite recent G-7 central bank declarations to support growth and employment, policy directed rates and combined central bank balance sheet assets changed little during the quarter. The US Federal Reserve paused to demonstrate their independence. European central bank policy was on hold while new leadership is established. The UK central bank reserved policy decisions awaiting Brexit. China's monetary policy options were constrained by their commitment to support the yuan. In short, major central banks paused together.

The difficulty for all central banks now is their reticence to make unilateral policy decisions for purely domestic reasons. At this moment, they remain loath to manipulate their currency to improve the competitive position of their nations' economies for fear of reprisals. This may be temporary. For now, central bank policies will continue to parry those of their major trading partners. These dynamics result in like for like policy actions which act as a transmission mechanism for consensus policies and amplify outcomes around the globe. However, the inability of international central banks to match the recent US tightening has supported the US dollar and is building pressure on the US to reverse its 2018 tightening.

Sextant Short-Term Bond Fund

Top 10 Holdings	Portfolio Weight
United States Treasury Note *(3.625% 02/15/2021)*	8.64%
United States Treasury Note *(2.50% 08/15/2023)*	4.80%
United States Treasury Note *(2.875% 10/31/2020)*	4.72%
McCormick & Co. *(2.70% 08/15/2022)*	4.71%
Honeywell International *(4.25% 03/01/2021)*	4.34%
Burlington Northern Santa Fe *(3.05% 09/01/2022)*	3.82%
AvalonBay Communities *(2.85% 03/15/2023)*	3.78%
Qualcomm *(2.60% 01/30/2023)*	3.74%
Gilead Sciences *(2.55% 09/01/2020)*	3.74%
3M *(2.00% 06/26/2022)*	3.73%

Sextant Bond Income Fund

Top 10 Holdings	Portfolio Weight
United States Treasury Note *(3.625% 02/15/2021)*	9.30%
United States Treasury Bond *(5.375% 02/15/2031)*	4.67%
Apple *(4.50% 02/23/2036)*	3.56%
Intel *(4.00% 12/15/2032)*	3.52%
Microsoft *(4.20% 11/03/2035)*	3.49%
Burlington Northern Santa Fe *(5.05% 03/01/2041)*	3.27%
United States Treasury Note *(2.125 6/30/2021)*	2.89%
United Technologies *(6.05% 06/01/2036)*	2.78%
United States Treasury Bond *(6.125% 08/15/2029)*	2.69%
Puget Sound Energy *(7.02% 12/01/2027)*	2.67%

As global growth slides, a US recession remains at the forefront of the minds of US investors. Despite recent slowdowns in US housing, automobiles, and manufacturing sectors, the US economy continues to grow, albeit slowly. Prices remain in disinflation not deflation. In a bullish sign for the economy, the yield spread between 10-year and 30-year US Treasurys has widened from 0.10% to 0.50% over the last year. With quantitative easing and lower short-term rates on standby in case of emergencies, conditions are supportive for fixed-income asset prices. Diminished US real yields remain some of the most attractive in a world with $13 trillion of negative yielding sovereign bonds. US rates appear to have room to fall further in the coming years, boosting bond market returns in the process.

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

Sextant Core Fund

As of June 30, 2019

During the second quarter of 2019, the S&P 500 Index posted a total return of 4.30%. For the quarter, the Sextant Core Fund produced a total return of 3.95% and outperformed its benchmark, the Dow Jones Moderate Portfolio Index, which returned a positive 2.98%. Both equities and fixed-income positively contributed to the quarterly performance. Similarly, for the first half of 2019, the S&P 500 Index produced a total return of 18.54% compared to the Sextant Core Fund's total return of 12.77%, and the benchmark's return of 12.03%.

Equities

The Sextant Core Fund ended the quarter with an equity allocation of 58.7%, down from the 61.5% held at end of the first quarter of 2019, and roughly in-line with the 60% allocation mandate. The number of equity positions (60) increased slightly from the first quarter of 2019 resulting in a lower average position size (1.0%).

The Fund's equity concentration remains weighted toward the technology (generally software and semiconductors) and healthcare (primarily medical devices and pharmaceuticals) sectors. Positions in the technology (Qualcomm and Amdocs) and financial (PNC and Ally) sectors led performance, with detractors spread across sectors.

During the quarter, the Sextant Core Fund moderately increased turnover among equity positions – the reported portfolio turnover rate for the fiscal year to date was 12.75%. The Fund reduced equity positions in the technology and added positions in the healthcare sectors thereby improving the Fund's value metrics.

Fixed Income

During the quarter, US yields declined again due to slowing US growth and inflation, along with faltering trade and manufacturing around the globe. Long US Treasury bonds (20+ years to maturity) posted returns in excess of 12% year-to-date and have outperformed the S&P 500 by a full 1% per annum over the last 20 years at quarter end.[1]

Despite recent G-7 central bank declarations to support growth and employment, policy directed rates and combined central bank balance sheet assets changed little during the quarter.

The difficulty for all central banks now is their reticence to make unilateral policy decisions for purely domestic reasons. For now, central bank policies will continue to parry those of their major trading partners.

10 Largest Contributors	Return	Contribution
Qualcomm	34.62%	0.32
PNC Financial Services Group	12.73%	0.18
Ally Financial	13.38%	0.18
Linde	14.69%	0.18
Amdocs	15.28%	0.17
JP Morgan Chase & Co	11.28%	0.15
Toronto-Dominion Bank	8.50%	0.13
Nestle ADR	11.27%	0.13
Welltower *(4.25% 4/15/2028)*	4.75%	0.12
Carlisle	14.85%	0.12

10 Largest Detractors	Return	Contribution
3M	-19.48%	-0.28
Xilinx	-6.70%	-0.11
Intel	-10.31%	-0.10
Equinor ADR	-8.85%	-0.09
Lowe's	-7.43%	-0.08
ConocoPhillips	-8.15%	-0.08
Alphabet, Class A	-7.99%	-0.07
Dow	-12.40%	-0.05
Micro Focus Internaitonal ADR	-1.12%	-0.04
Bristol-Myers Squibb	-4.11%	-0.04

Top 10 Holdings		Portfolio Weight
United States Treasury Bond *(6.25% 8/15/2023)*	*Bond*	3.37%
Welltower *(4.25% 4/15/2028)*	*Bond*	2.44%
United States Treasury Note *(2.75% 11/15/2023)*	*Bond*	2.38%
Gilead Sciences *(3.70% 04/01/2024)*	*Bond*	1.73%
Boeing *(5.875 02/15/2040)*	*Bond*	1.71%
Lowe's *(4.25% 09/15/2044)*	*Bond*	1.66%
United States Treasury Note *(2.00% 11/30/2022)*	*Bond*	1.65%
Union Pacific Corp *(3.375% 02/01/2035)*	*Bond*	1.63%
Toronto-Dominion Bank	*Equity*	1.59%
PNC Financial Services Group	*Equity*	1.52%

The US 2011 Pivot to Asia and China's Belt and Road Initiative (BRI) are the most recent milestones in a struggle between two economic superpowers. Today the weapons used in this struggle are financial not military. As such, a trade deal may be hard to find until BRI's financial cost becomes too great or its geostrategic returns too low.

Continued on next page.

Morningstar Sustainability Ratings™

Sextant International Fund

Investor Shares (SSIFX)

Z Shares (SIFZX)

Among 398 Foreign Large Growth Funds

Sextant Growth Fund

Investor Shares (SSGFX)

Z Shares (SGZFX)

Among 1,229 Large Growth Funds

Sextant Core Fund

SCORX

Among 688 Allocation 50% – 70% Equity Funds

Sextant Short-Term Bond Fund

STBFX

Among 481 Short-Term Bond Funds

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").

Morningstar Sustainability Ratings are as of May 31, 2019. 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 is not limited to funds with explicit sustainable or responsible investment mandates. Morningstar updates its398 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 are 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:

Sextant International Fund	*76%*
Sextant Growth Fund	*99%*
Sextant Core Fund	*76%*
Sextant Short-Term Bond Fund	*68%*

The Sextant Global High Income and Sextant Bond Income Funds were not rated.

The Sextant Growth and Sextant International Funds offer two share classes – Investor Shares and Z Shares, each of which has different expense structures.

Sextant Core Fund *Continued from page 10*

As global growth slides, a US recession remains at the forefront of the minds of US investors. Despite recent slowdowns in US housing, automobiles, and manufacturing sectors, the US economy continues to grow, albeit slowly. With quantitative easing and lower short-term rates on standby in case of emergencies, conditions are supportive for fixed-income asset prices.

Footnote:

[1] Borodovsky, Lev. The Daily Shot: Investor Purchases of U.S. Homes Are at Record Highs, The Wall Street Journal, July 3, 2019. https://blogs.wsj.com/dailyshot/2019/07/03/the-daily-shot-investor-purchases-of-u-s-homes-are-at-record-highs/?guid=BL-278B-1764&mod=searchresults&page=1&pos=5&dsk=y

Performance Summary

As of June 30, 2019

Average Annual Total Returns *(before taxes)*	**YTD**	**1 Year**	**3 Year**	**5 Year**	**10 Year**	**15 Year**	**Expense Ratio**[A] *Gross*	*Net*
Sextant Growth Fund Investor Shares (SSGFX)	22.30%	14.77%	16.43%	9.28%	12.29%	9.15%	0.92%	
Sextant Growth Fund Z Shares (SGZFX)[B]	22.50%	15.13%	n/a	n/a	n/a	n/a	0.70%	
S&P 500 Index	18.54%	10.42%	14.22%	10.72%	14.70%	8.75%	n/a	
Morningstar Large Growth Category	21.11%	10.02%	16.97%	11.33%	14.71%	9.07%	n/a	
Sextant International Fund Investor Shares (SSIFX)	21.18%	17.88%	14.96%	6.00%	6.94%	7.67%	1.05%	
Sextant International Fund Z Shares (SIFZX)[B]	21.30%	18.14%	n/a	n/a	n/a	n/a	0.84%	
MSCI EAFE Index	14.49%	1.60%	9.66%	2.74%	7.40%	5.84%	n/a	
Morningstar Foreign Large Growth Category	18.29%	2.25%	9.63%	4.09%	8.20%	6.18%	n/a	
Sextant Core Fund (SCORX)	12.77%	9.77%	7.40%	4.15%	6.87%	n/a	0.88%	
Dow Jones Moderate US Portfolio Index	12.03%	5.71%	7.96%	5.32%	8.71%	6.69%	n/a	
Morningstar Allocation – 50% to 70% Equity Category	12.21%	5.73%	7.79%	5.04%	8.93%	6.20%	n/a	
Sextant Global High Income Fund (SGHIX)[C]	9.86%	8.60%	10.45%	4.24%	n/a	n/a	0.97%	0.75%
S&P Global 1200 Index	16.88%	6.96%	12.57%	7.27%	11.29%	7.71%	n/a	
Morningstar World Allocation Category	10.40%	3.05%	6.23%	2.72%	7.13%	5.98%	n/a	
Sextant Short-Term Bond Fund (STBFX)	2.89%	4.33%	1.46%	1.35%	1.68%	2.30%	0.91%	0.60%
FTSE USBIG Govt/Corp 1-3 Year Index	2.69%	4.20%	1.57%	1.42%	1.55%	2.44%	n/a	
Morningstar Short-Term Bond Category	3.20%	4.19%	1.97%	1.60%	2.48%	2.60%	n/a	
Sextant Bond Income Fund (SBIFX)	7.41%	8.74%	2.56%	3.22%	4.40%	4.14%	0.84%	0.65%
FTSE US Broad Investment-Grade Bond Index	6.14%	7.91%	2.33%	2.95%	3.83%	4.34%	n/a	
Morningstar Long-Term Bond Category	13.18%	13.09%	4.42%	5.38%	7.77%	6.56%	n/a	

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.sextantfunds.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.*

[A] By regulation, expense ratios shown are as stated in a Fund's most recent prospectus or summary prospectus, dated March 27, 2019, and incorporate results from the fiscal year ended November 30, 2019. Higher expense ratios may indicate higher returns relative to a Fund's benchmark. The Adviser has voluntarily capped actual expenses of Sextant Global High Income at 0.75%, Sextant Short-Term Bond at 0.60% and actual expenses of Sextant Bond Income at 0.65% through March 31, 2020.

[B] Z Shares of Sextant Growth and Sextant International Funds began operations June 2, 2017.

[C] Sextant Global High Income Fund began operations March 30, 2012. Its annualized since inception return as of June 30, 2019, was 5.71%.

The S&P 500 Index is an index comprised of 500 widely held common stocks considered to be representative of the US stock market in general. The MSCI EAFE Index is an international index focused on Europe, Australasia, and the Far East. The MSCI ACWI Ex-US Index, produced by Morgan Stanley Capital International, measures equity market performance throughout the world excluding US-based companies. The S&P Global 1200 Index is a global stock market index covering nearly 70% of the world's equity markets. The Bloomberg Barclays Global High Yield Corporate Bond Index is a rules-based, market-value weighted index engineered to measure the non-investment grade, fixed-rate, taxable, global corporate bond market. The Dow Jones Moderate Portfolio Index is a broad-based index of stock and bond prices. The FTSE Gov./Corp. Investment Grade Index 1-3 Years is a broad-based index of shorter-term investment grade US government and corporate bond prices. The FTSE US Broad Investment-Grade Bond Index is a broad-based index of medium and long-term investment grade bond prices. Investors cannot invest directly in the indices.

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.

About The Authors

Scott Klimo CFA®
Vice President and Chief Investment Officer

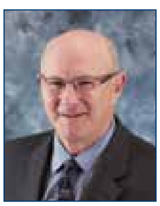
Sextant Growth, Portfolio Manager
Sextant International, Deputy Portfolio Manager

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.

Bryce Fegley MS, CFA®, CIPM®
Senior Investment Analyst

Sextant Global High Income, Portfolio Manager

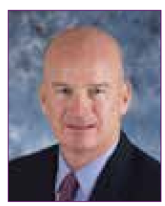
Bryce Fegley, CFA, CIPM, Investment Analyst & Sextant Global High Income Fund Portfolio Manager, joined Saturna Capital in 2001 and worked in brokerage/trading and later as an investment analyst. Beginning in 2010, he spent two years as President of our Malaysian subsidiary, Saturna Sdn Bhd, directing 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 earned a BA in English Literature from the University of Colorado at Boulder. 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.



Phelps McIlvaine
Vice President

Sextant Short-Term Bond, Sextant Bond Income Fund, Sextant Core, Portfolio Manager

Phelps McIlvaine, Vice President, joined Saturna Capital in 1993. He serves Saturna as Portfolio Manager and a Research Analyst for Idaho Tax-Exempt Fund, Sextant Short-Term Bond Fund, Sextant Bond Income Fund, and Sextant Core Fund. He also acts as Director for Saturna's wholly-owned brokerage subsidiary, Saturna Brokerage Services. Mr. McIlvaine was born in Illinois in 1953, and has a BA in economics (University of Denver, 1975 Phi Beta Kappa). Mr. McIlvaine entered the investment business in 1976 and traded US bond and derivative markets from 1977 to 1986 for commercial banks in Boston and Chicago. From 1987 to 1993 he managed fixed income derivative hedge funds in Chicago and London. He serves on the Endowment Committees of the Nooksack Salmon Enhancement Association and the Bellingham Interfaith Coalition.



Chris Paul MBA, CFA®
Senior Investment Analyst

Sextant Core Fund, Portfolio Manager

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 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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***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.*

*The **Growth Fund** may invest in smaller companies, which involve higher investment risks in that they often have limited product lines, markets and resources, or their securities may trade less frequently and have greater price fluctuation than those of larger companies.*

*The **International Fund** involves risks not typically associated with investing in US securities. These include fluctuations in currency exchange rates, less public information about securities, less governmental market supervision, and lack of uniform financial, social, and political standards.*

*The **Core Fund** involves the risks of both equity and debt investing, although it seeks to mitigate these risks by maintaining a widely diversified portfolio that includes domestic stocks, foreign stocks, short and long-term bonds, and money market instruments.*

*Investment in the **Global High Income Fund** entails the risks of both equity and debt securities, although it seeks to mitigate these risks through a widely diversified portfolio that includes foreign and domestic stocks and bonds. Issuers of high-yield securities are generally not as strong financially as those issuing higher quality securities. Investments in high-yield securities can be speculative in nature. High-yield bonds may have low or no ratings and may be considered "junk bonds."*

*The risks inherent in the **Short-Term Bond** and **Bond Income Funds** depend primarily on the terms and quality of the obligations in their portfolios, as well as on bond market conditions. When interest rates rise, bond prices fall. When interest rates fall, bond prices rise. Bonds with longer maturities (such as those held by the Bond Income Fund) usually are more sensitive to interest rate changes than bonds with shorter maturities (such as those held by the Short-Term Bond Fund). The Funds entail credit risk, which is the possibility that a bond will not be able to pay interest or principal when due. If the credit quality of a bond is perceived to decline, investors will demand a higher yield, which means a lower price on that bond to compensate for the higher level of risk.*