Fund Commentary

Q4 2019

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.

2019 was a great year for equity markets, with the S&P 500 Index returning 31.49%, the best annual profit since 2013. At Saturna, we're not forecasting 2020 to generate the outsized gains seen in 2019. Still, we enter the new decade optimistically.

It's rare for the market to experience downturns or big profits following a year when returns exceed 25%. Since 1927, the S&P 500 experienced downturns in only 8% of the years following a year with returns in excess of 25%. Over this same period, only three years saw repeated returns greater than 25%. While statistics may support our forecast, we note "past returns may not indicate future performance." Why then do we believe 2020 will follow a similar course of decent returns? Four reasons:

- the four-year US presidential election cycle,
- calming global trade tensions,
- a reduction of Brexit's uncertainties, and
- accommodative yet stretched global monetary policies.

After minimal debate, both parties in the US Congress agreed to bigger spending and deficits, and the economy is roaring. Touting his business forward approach to governing and claiming success for the long bull market, President Trump will likely focus his re-election campaign on the economy. As the country moves from primaries to the general election, an incumbent's narrative always pulls the opposition toward the middle.

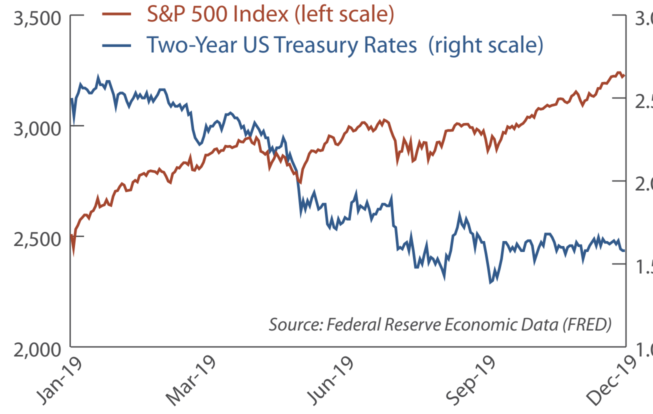
Also awaiting the election returns, the US-China trade war should see reduced agitations. As President Trump looks to claim victory and President Xi takes advantage of US election related pressures, the two sides are compelled to sign an agreement. This "phase one" deal is set to be signed on January 15th. The truce calls for China to increase imports of US farm goods and the US to decrease tariffs on Chinese products. This deal may address topics that frequently gain headlines, but it fails to address more fundamental issues on state-supported industry and tactics that the Chinese government uses to capture Western technologies.

Brexit will also have continued impact through 2020. The UK leaving the European Union on January 31, 2020, will not mark the end of the process. December's election saw the Conservatives gain an 80-seat majority, removing the roadblocks to the withdrawal agreement. Now a transition period begins where a trade agreement is negotiated, defining how the EU and the UK do business going forward. This deal is set to take effect December 31, 2020. As the UK "gets Brexit done" this month, expect a first bounce in the economy. However, details of the trade agreement, and uncertainty related to it, will likely produce volatility in 2020 as the December deadline approaches.

Beyond geopolitics, 2019 marked a year of renewed expansionary monetary policy as fears of recession sprouted across the globe. These fears led the Federal Reserve to cut interest rates while central banks elsewhere amassed record levels of negative yielding debt during the summer of 2019. In turn, low to negative interest rates injected fuel into equities, igniting the record bull market.

Although the amount of negative yielding debt has since been cut, central banks are operating with less dry powder to reignite the economy should fear of recession renew. We expect that in 2020 central banks will play the part of observer as they balance the need to keep tools on hand for an economic downturn with the want to see 2019's stimulus work its way through the financial system. At its December meeting, the Federal Reserve confirmed a wait and see approach, noting members "agreed that maintaining the current stance of monetary policy would give the Committee some time to assess the full effects on the economy of its policy decisions and communications over the course of this year."

S&P 500 Index vs Two-Year US Treasurys



Environmental, social, and governance factors gained in importance and visibility throughout 2019. Wildfires in the Amazon, Indonesia, and Australia, protests in Hong Kong, and intensifying debates surrounding the social role of big technology firms all highlight this trend. Attention focused on the social impact of technology firms such as China Inc., Facebook, Google, and Apple, and their role in elections and human rights. As these firms have gained dominance, their rising power is also gaining greater scrutiny for the often-hidden risks they pose to human rights especially in the realm of surveillance and data privacy.[1]

According to a poll conducted across 10,000 people in nine countries – over 70% of people are concerned about how technology companies collect and use their personal data and want governments to do more to regulate the space. Attempts to regulate data privacy in the US have so far been relatively unsuccessful, but continued public pressure could bring about a change for how these companies operate. To quote Philip Alston, United Nations Special Rapporteur on poverty and human rights, "We are entering into a different operating environment where our current governance and civic structures for human rights protection are inadequate to deal with the darker side of big tech. " As investors, Saturna continues to evaluate the impacts to these firms, and their impact to society.

If 2019 was a year in which the rising tide lifted all boats, in 2020 we expect to find out which boats are in need of repair and which are ocean worthy. As such, we see returns in 2020 favoring firms with strong fundamentals and earnings growth. Continued multiple expansion would be a surprise.

What could go wrong? Perhaps the breakout of realpolitik in the Mideast, as the US moves back leaving Arabia and Israel richly armed, impotent Europe dithers, Turkey rebuilds its loose empire (Kurdistan, Libya) with Russian aid, and Iran dominates its "allies" for a route (across Iraq, Syria, and Lebanon) to the Mediterranean?

Amana Income Fund

As of December 31, 2019

In the fourth quarter the Amana Income Investor Shares rebounded impressively, returning 9.58% and surpassing the 9.07% gain of the S&P 500 Index. For 2019, the Fund returned 25.28%, trailing the 31.49% return of the S&P 500 Index. Fund returns relative to the benchmark were hampered by a combination of stock selection and sector allocation challenges. Several sectors in which the Fund typically does not participate, such as Utilities and Communications Services (excessive debt), or Financial Services (prohibited activity), experienced strong performance in 2019. Sectors in which the Fund has significant investments such as Technology and Industrials also performed well, boosted by positive stock selection. Conversely, Consumer Staples, Health Care, and Materials performed relatively poorly, and our selections tended to lag.

Our Technology investments in Microsoft, Microchip, and Taiwan Semiconductor registered impressive returns. Microsoft has done an excellent job building its Azure cloud services business, while we believe a strong period of semiconductor demand will arrive in the new decade supporting Microchip and Taiwan Semiconductor. Whether the rally starts in 2020 or 2021 remains to be seen but recent signs have been positive. Industrials dominated the remainder of the top contributors led by Carlisle, a conglomerate engaged in a number of activities including agriculture, mining, construction, medical technology, transportation, etc. To some extent, Carlisle has its finger in the pies of all of our other industrial holdings. Illinois Tool Works is equally diverse and a company with a track record of strong management consistently driving revenue and earnings higher. As its name implies, Rockwell has significant exposure to industrial automation, an arena that should provide a steadily growing market over the coming years. Parker Hannifin also has automation exposure, along with aerospace and hydraulics. Air Products may have received some benefit of disruption from the Praxair/Linde merger as it took off this year following modest performance in 2018. Honeywell engaged in corporate restructuring last year, slimming the company to a focus on aerospace, building technologies, performance materials, and safety solutions. Finally, PPG overcame an earlier accounting stumble to register solid 2019 performance.

Among the laggards for the year, several experienced positive performances with only Resideo, Methanex, and Dupont declining by significant amounts. Resideo,

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10 Largest Contributors YTD	Return	Contribution
Microsoft	57.57%	2.34
Carlisle	63.09%	1.58
Taiwan Semiconductor ADS	64.81%	1.48
Microchip Technology	48.07%	1.32
Illinois Tool Works	45.59%	1.30
Rockwell Automation	37.85%	1.28
Parker Hannifin	40.76%	1.20
Air Products & Chemicals	49.98%	1.20
Honeywell International	36.72%	1.11
PPG Industries	32.81%	1.01

10 Largest Detractors YTD	Return	Contribution
Pfizer	-6.92%	-0.26
Dow	1.84%	-0.12
3M	-4.26%	-0.11
Methanex	-11.04%	-0.10
DuPont de Nemours	-9.61%	-0.06
AbbVie	1.50%	-0.04
Resideo Technologies	-41.95%	-0.03
Alcon	-2.15%	0.00
Rio Tinto ADS	7.26%	0.03
Nutrien	5.71%	0.04

Top 10 Holdings	Portfolio Weight
Eli Lilly	5.81%
Microsoft	5.06%
Rockwell Automation	4.34%
McCormick & Co	4.24%
Illinois Tool Works	3.84%
Intel	3.84%
PPG Industries	3.81%
Honeywell International	3.79%
Microchip Technology	3.76%
Carlisle	3.58%

30-Day Yield	
Investor Shares (AMANX):	0.98%
Institutional Shares (AMINX):	1.17%

Asset-weighted average debt to market cap: 17.5%

Amana Growth Fund

In the fourth quarter, the Amana Growth Fund Investor Shares rose 8.57% versus the 9.07% return of the S&P 500 Index. For the year, however, the Fund's return of 33.07% exceeded the 31.49% gain of the S&P 500 Index. Within its Morningstar Large Growth category, Amana Growth finished 2019 in the 42nd percentile, marking the fourth consecutive year the Fund performed in the top half of the group. Like Amana Income, Amana Growth was somewhat held back relative to the Index by its lack of participation in Finance and Communication Services, but it more than made up for that headwind with excellent stock selection in Health Care, Industrials, and Consumer Discretionary. In Technology, the Fund's largest exposure, selection was in line with the benchmark.

The return numbers among the top contributors are stunning: 89% for Apple, 93% for ASML, returns in the 60's for Estée Lauder, Taiwan Semiconductor, Qualcomm, and Keysight. Equally stunning is that Apple once again commands the top spot for Fund contribution; a position it has captured several times and a testament to long-term investing. Despite slowing iPhone sales, Apple's services businesses have developed into meaningful contributors to revenue, with highly attractive margins. Digital media leader Adobe has also appeared as a top contributor over multiple years. Its appreciation wasn't as great but it's a large position, leading to the strong contribution. We visited ASML at the end of last year and came away convinced that its position within lithography would only grow stronger. In 2019, investors agreed. Cosmetics is a favored category given defensive characteristics that, in no way, hamper growth prospects, while Estée Lauder stands as a global leader. Without making any predictions, were the Democrats to capture the White House, significant re-writing of the tax code might be expected, which would certainly boost Intuit's prospects. We believe the new decade will be a strong one for semiconductor stocks, and as the world's leading foundry, Taiwan Semiconductor will certainly benefit. Qualcomm faced a raft of challenges over the past few years but commands an unassailable lead in 5G intellectual property. While TJX wasn't the strongest performer in 2019, it owns an enviable long-term record, and the company will likely benefit from the growing movement toward higher minimum wages.

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As of December 31, 2019

10 Largest Contributors YTD	Return	Contribution
Apple	88.97%	3.36
Adobe	45.78%	2.21
ASML Holding	93.14%	2.16
Estée Lauder, Class A	60.33%	1.80
Intuit	34.11%	1.61
L3Harris Technologies	49.21%	1.55
Taiwan Semiconductor ADS	64.81%	1.34
Qualcomm	60.67%	1.22
TJX Companies	38.77%	1.21
Keysight Technologies	65.32%	1.04

10 Largest Detractors YTD	Return	Contribution
Alphabet, Class A	-0.03%	0.01
Bristol-Myers Squibb CVR	44.02%	0.01
Clorox	2.24%	0.05
Bristol-Myers Squibb	13.79%	0.07
Synnex	61.73%	0.11
Gartner	20.54%	0.25
Eli Lilly & Co	16.15%	0.31
Oracle	19.33%	0.31
Lincoln Electric Holdings	25.40%	0.35
PepsiCo	27.37%	0.35

Top 10 Holdings	Portfolio Weight
Apple	6.65%
Adobe	5.93%
Intuit	5.30%
Estee Lauder, Class A	4.26%
ASML Holding	4.10%
Amgen	3.85%
TJX Companies	3.84%
Church & Dwight	3.80%
L3Harris Technologies	3.47%
Agilent Technologies	3.45%

Asset-weighted average debt to market cap: 10.6%

Amana Developing World Fund

During the fourth quarter, the Amana Developing World Fund Investor Shares gained 7.98%, significantly less than the 11.84% jump in the MSCI Emerging Markets Index. Nonetheless, the Fund's full year return of 18.68% eclipsed the 18.42% gain in the benchmark index. The Morningstar Diversified Emerging Markets category also outperformed, and the Fund finished in the 54th percentile for the year. Political and economic disruptions throughout large parts of the developing world, especially Latin America, combined with governance and economic concerns surrounding benchmark heavyweight China, led to the Fund maintaining a large cash balance during the year. Its outperformance rested largely on our decision to increase the Technology weighting, boosted by strong selection within the sector.

Taiwanese Technology firm Silergy, which produces power integrated circuits for the consumer, industrial, computer, and communications industries, topped the contribution table after more than doubling during the year. The company is well-positioned with leading edge products directed toward high-growth end uses and will be a beneficiary of 5G, the Internet of Things, automation, and other long-term industrial trends. Semiconductor companies experienced a strong year in 2019 and, as the world's largest foundry, Taiwan Semiconductor participated fully. VF was punished in the 2018 fourth quarter sell-off but rebounded strongly in the current year. Its North Face and Vans brands are performing well. Trade battles made 2018 a challenging year for power tool manufacturer Techtronic but it also enjoyed a strong comeback, boosted by a robust housing market in the US. Despite the macro-economic challenges facing South Africa, Clicks Group is an outstanding retailer and has continued to perform well in a difficult environment. Trade friction also dinged Kansas City Southern in 2018 but the stock, which has the majority of its track in Mexico, staged a solid rally, especially in the fourth quarter following the agreement on the USMCA trade pact among the US, Mexico, and Canada. Despite Japan-South Korean political friction which has made access to certain materials difficult, Samsung rallied sharply in the fourth quarter after lackluster trading earlier in the year. Chinese mobile gaming, messaging, and electronic payments giant

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As of December 31, 2019

10 Largest Contributors YTD	Return	Contribution
Silergy	115.82%	1.95
Taiwan Semiconductor ADS	64.81%	1.50
VF	51.72%	1.39
Techtronic Industries	56.32%	1.36
Clicks Group	40.66%	1.29
Kansas City Southern	62.35%	1.24
Samsung Electronics	41.79%	1.06
Tencent Holdings ADR	21.97%	1.02
Advantech	50.03%	1.00
Barrick Gold	38.98%	0.98

10 Largest Detractors YTD	Return	Contribution
Samsonite International	-35.02%	-0.81
Ramayana Lestari Sentosa	-33.93%	-0.54
Baidu ADS	-20.30%	-0.35
Aspen Pharmacare Holdings	-28.02%	-0.22
Sunny Friend Environmental Tech	-9.15%	-0.17
Manila Electric	-9.78%	-0.15
KPJ Healthcare	-6.35%	-0.14
M. Dias Branco	-13.93%	-0.14
Prosus ADR	-5.81%	-0.05
International Flavors & Fragrances	-1.68%	-0.03

Top 10 Holdings	Portfolio Weight
Tencent Holdings ADR	4.75%
Clicks Group	3.93%
SM Prime Holdings	3.67%
Silergy	3.62%
Taiwan Semiconductor ADS	3.35%
VF	3.29%
Samsung Electronics	3.15%
Techtronic Industries	3.14%
Barrick Gold	3.05%
Kansas City Southern Industries	2.73%

Asset-weighted average debt to market cap: 14.2%

Amana Participation Fund

For the fourth quarter, the Amana Participation Fund Institutional Shares returned 0.18% and the Investor Shares returned 0.02%, compared to the FTSE Sukuk Index's gain of 0.70%. For the year ended December 31, 2019, the Institutional Shares returned 6.95% and the Investor Shares returned 6.61%, compared to the FTSE Sukuk Index's return of 10.80%. The Funds' performance can be attributed, in part, to the GCC region's favorable investment climate but also to our investment process that emphasizes ownership of high-quality issuers led by management teams exercising prudence and demonstrating sound long-term financial practices.

We'd like investors to note that the FTSE Sukuk benchmark is constructed differently than the Fund. The benchmark aims to measure the performance of global *sukuk* and has a 18.30% allocation to Indonesia and 16.08% to Saudi Arabia, while retaining a 34.27% weighting in issues with a duration of seven years and longer.[4] The Amana Participation Fund's exposure to Indonesia was 2.12%, with 8.72% of issues from Saudi Arabia. The Participation Fund is required to maintain a duration between three to five years.

The Amana Participation Fund Institutional Shares provided a 30-day yield of 2.38%, and the Investor Shares provided a 30-day yield of 2.17%. The Fund reported an effective duration of 3.20 years. The Fund is diversified among 30 separate issues to meet its investment objectives of capital preservation and current income, while being entirely invested in US dollar denominated securities.

Sukuk investors were rewarded in 2019 with favorable investment returns, as the market continued to mature and develop. In recent years, the Gulf Cooperation Council region has evolved to become an active issuer of both conventional debt and *Sharia*-compliant investment certificates (*sukuk*). As can be observed in the accompanying illustration, the GCC region issued $95.4 billion in conventional debt and *Sharia*-compliant investment securities, an increase of 25.9% from the prior year's issuance of $75.7 billion, and a three-year compound annual growth rate (CAGR) of 15.2%! Over the last four years, Sharia-compliant investment securities have represented, on average, 20.8% of the total issuance, with 2019's total issuance coming in at 20.7%.

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As of December 31, 2019

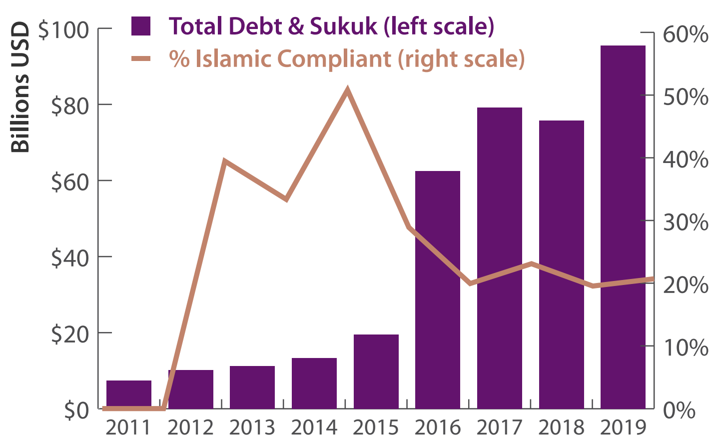
Top 10 Holdings	Portfolio Weight
Almarai Sukuk	4.90%
QIB Sukuk	4.62%
CD Sukuk	4.46%
DP World Crescent	4.35%
Oman Sovereign Sukuk	4.26%
DIB Sukuk	4.21%
SOQ Sukuk A	4.11%
KSA Sukuk	3.95%
DIFC Sukuk	3.91%
EMG Sukuk	3.91%

30-Day Yield	
Investor Shares (AMAPX):	2.17%
Institutional Shares (AMIPX):	2.38%

Credit Profile	
AA	4.11%
A	18.68%
BBB	40.02%
BB	7.84%
Not rated	24.38%
Cash and equivalents	4.98%

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.

GCC Issuance Trends of USD Denominated Debt and Islamic Compliant Investment Certificates



Source: Bloomberg LLP

Performance Summary

As of December 31, 2019

Average Annual Total Returns *(Before Taxes)*	1 Year	3 Year	5 Year	10 Year	15 Year	Expense Ratio
Income Fund Investor Shares (AMANX)	25.28%	13.05%	8.94%	10.54%	9.67%	1.06%
Income Fund Institutional Shares (AMINX)	25.57%	13.32%	9.21%	n/a	n/a	0.82%
S&P 500 Index	31.49%	15.26%	11.69%	13.55%	8.99%	n/a
Growth Fund Investor Shares (AMAGX)	33.07%	20.70%	13.51%	12.81%	11.09%	1.03%
Growth Fund Institutional Shares (AMIGX)	33.41%	20.98%	13.77%	n/a	n/a	0.79%
S&P 500 Index	31.49%	15.26%	11.69%	13.55%	8.99%	n/a
Developing World Fund Investor Shares (AMDWX)	18.68%	6.75%	0.38%	0.56%	n/a	1.31%
Developing World Fund Institutional Shares (AMIDX)	18.72%	6.91%	0.59%	n/a	n/a	1.14%
MSCI Emerging Markets Index	18.42%	11.56%	5.61%	3.68%	7.48%	n/a
Participation Fund Investor Shares (AMAPX)	6.61%	2.98%	n/a	n/a	n/a	0.88%
Participation Fund Institutional Shares (AMIPX)	6.95%	3.21%	n/a	n/a	n/a	0.64%
FTSE Sukuk Index	10.80%	5.03%	4.13%	4.99%	n/a	n/a

Expense ratios shown are as stated in the Funds' most recent Prospectus dated September 27, 2019.

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 FTSE Sukuk Index measures the performance of global Islamic fixed income securities, also known as sukuk. The CBOE Volatility Index, known by its ticker symbol VIX, is a popular measure of the stock market's expectation of volatility implied by S&P 500 index options. 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 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.*

Performance Summary

As of December 31, 2019

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	85	62	75	86	93
Institutional Shares (AMINX)	★★★	n/a	★★★	★★★	☆☆	🌐○○○○
% Rank in Category	n/a	85	57	71	84	93
Number of Funds in Category	1,203	1,387	1,203	1,058	808	1,196
Amana Growth Fund – "Large Growth" Category						
Investor Shares (AMAGX)	★★★★	n/a	★★★★	★★★★	★★★	🌐🌐🌐🌐🌐
% Rank in Category	n/a	42	25	30	66	8
Institutional Shares (AMIGX)	★★★★	n/a	★★★★	★★★★	☆☆☆	🌐🌐🌐🌐🌐
% Rank in Category	n/a	38	24	27	63	8
Number of Funds in Category	1,218	1,360	1,218	1,086	811	1,223
Amana Developing World Fund – "Diversified Emerging Markets" Category						
Investor Shares (AMDWX)	★★	n/a	★★	★	★★	🌐🌐🌐🌐○
% Rank in Category	n/a	54	91	97	99	16
Institutional Shares (AMIDX)	★	n/a	★★	★	☆☆	🌐🌐🌐🌐○
% Rank in Category	n/a	53	90	97	97	16
Number of Funds in Category	712	835	712	577	242	706
Amana Participation Fund – "Emerging Markets Bond" Category						
Investor Shares (AMAPX)	★	n/a	★	n/a	n/a	n/a
% Rank in Category	n/a	97	98	n/a	n/a	n/a
Institutional Shares (AMIPX)	★	n/a	★	n/a	n/a	n/a
% Rank in Category	n/a	94	97	n/a	n/a	n/a
Number of Funds in Category	239	286	239	n/a	n/a	n/a

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 December 31, 2019. 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.

[B] Morningstar Sustainability Ratings are as of November 30, 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 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	*100%*
Amana Growth Fund	*100%*
Amana Developing World Fund	*100%*

As of November 30, 2019, the Amana Participation Fund had not received a Sustainability Rating.

% 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.

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

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

Amana Income Fund *Continued from page 6*

which focuses primarily on residential security, was spun out from Honeywell in late 2017 and has yet to find its footing. Our holding is small, so the negative contribution was minor despite the large drop in price. Methanex is captive to movements in commodity markets and can be quite volatile. Last year the shares soared until the fourth quarter sell-off, subsequently failing to recover. Dupont emerged from the merger followed by deconsolidation involving Dow Chemical and an agricultural business that now stands on its own as Corteva. While the valuation is attractive, investors have yet to warm to the company. Alcon resulted from another spin, coming from Novartis, while Pfizer was engaged in its own corporate restructuring. During the year it merged its consumer health business with that of GSK, forming a joint venture, while also merging its generics business with Mylan. We expect the leaner Pfizer to demonstrate better performance going forward. 3M's decline wasn't large, except in the context of a market that jumped over 30%. The stock declined sharply in the second quarter following missed earnings and reduced guidance. Earnings for the year are anticipated to have declined at a double-digit pace. Nonetheless, we expect earnings to return to the growth track in the current year, while the shares offer an attractive dividend yield and rock-solid balance sheet.

Amana Growth Fund *Continued from page 7*

Since its spin out from Agilent in 2014, Keysight's electronic design and test business which encompasses both software and hardware, has grown at an impressive pace, resulting in the stock roughly quintupling since early 2016. We believe the investment case remains compelling.

Only one of the Fund's 10 biggest laggards declined in price, which was due to the timing of our sale of Alphabet for reasons concerning company ethics and the potential impact of government intervention in its business. While the latter did not come to pass in 2019, it will certainly be a topic of discussion throughout this presidential election year. The Bristol-Myers CVR (contingent value right) was distributed to shareholders of Celgene as part of the acquisition. The CVR either pays out or expires worthless depending on the success of three Celgene drugs in development. Bristol-Myers itself had a reasonable year as the immuno-oncology drug Opdivo continues to grow strongly. All of major pharma, however, was under pressure from political considerations. We became shareholders in Synnex when it acquired Convergys and plan to maintain the position. With the exception of Clorox, we remain committed to the investment thesis for the remainder of the positions. Some of them, including Pepsi and Lincoln Electric, enjoyed quite strong returns, which we expect to continue. Returning to Clorox, we do see challenges in the business but also believe there may be opportunities in restructuring or even acquisition. The $19 billion market capitalization would not pose a challenge for several larger household products companies, while the firm holds significant brand equity.

Since the end of the third quarter, strong performance from ASML, Amgen, and Agilent pushed each into the top 10 holdings list. They replaced Trimble, Xilinx, and Cisco.

Amana Developing World Fund *Continued from page 8*

Tencent stumbled in the second quarter when Chinese authorities placed restrictions on gaming but has subsequently recovered. Advantech, a leader in robust industrial computers, rounds out the Taiwan troika of top performers. Finally, the rally in gold prices pushed Barrick Gold sharply higher.

Samsonite suffered from weakening travel and corporate governance issues and has been sold. Ramayana caters to the lower income shopper in Indonesia and seemed well-placed to grow its business. It performed well through the first part of the year but then dropped on missed sales. Baidu suffered from increasing search competition from other large Chinese players but is expected to return to solid growth, and recovered some of its lost ground in the fourth quarter. We have exited the holding in Aspen Pharma after acquisitions changed the nature of the business. Taiwanese waste disposal company Sunny Friend has a good business and tremendous opportunities in China, although they may take time to realize. Regulatory issues hit Manila Electric in the fourth quarter. We believe the Philippines remains a growth market. Currency weakness boosted wheat import expense for Brazilian pasta and cookie leader M. Dias Branco. South African media conglomerate Naspers transferred its holdings in Tencent to a new company called Prosus, which began trading in the Netherlands in the fourth quarter. Finally, International Flavors has agreed to a merger with DuPont's nutrition and biosciences unit and we are evaluating whether that combination merits continued inclusion in the Fund.

Kansas City Southern moved into the top 10 holdings list on easing trade tensions with Mexico and the apparent deal on the USMCA. It replaced Colgate-Palmolive.

Amana Participation Fund *Continued from page 9*

The GCC region has come a long way over the past decade in both security issuance and its ability to attract investors. This is due to their desirable credit ratings, large financial reserves, enormous stockpiles of hydrocarbon assets, and favorable yield enhancement relative to other sovereign issues, such as US Treasurys. The accompanying illustration highlights the GCC members' high credit ratings compared to other developed economies. While there are many appealing attributes in the region, it is still nascent and subject to geopolitical risks, like the recent drone attack on the Saudi Aramco's oil processing facilities in Abqaiq on September 14, 2019.

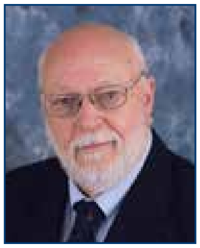
	Moody's	S&P	Fitch	Outlook
Qatar	Aa3	AA-	AA-	Neg/Stable
Abu Dhabi	Aa2	AA	AA	Stable
KSA	A1	A-	A-	Stable
Dubai	NR	NR	NR	
Bahrain	B2	B+	BB-	Stable
Oman	Ba1	BB	BB+	Neg/Stable
Kuwait	Aa2	AA	AA	
China	Aa3	AA-	A+	Stable
UK	Aa2	AA+	AAA	Stable
USA	Aaa	AA+	AAA	Stable

However, by and large, the GCC region remains investor friendly for a variety of factors including an improving economic outlook, low inflation, government backed fiscal stimulus, government reforms, and increasing foreign direct investments. According to the latest forecasts by the International Monetary Fund (IMF), GCC growth is expected to rebound to 2.5% in 2020, driven by real oil GDP growth of 1.9% (compared to 1.4% in 2019). This reflects a mix of rising oil production in Kuwait and Saudi Arabia, and a pickup in gas output in Oman and Qatar. Non-oil GDP growth looks like it will increase to 2.8% in 2020, up from 2.4% in 2019; it's expected to be supported by infrastructure spending in Kuwait and UAE due to a boost in tourism from Expo 2020.[5]

The top two performing issues in 2019 included Oman sovereign *sukuk* and Indonesian sovereign, which returned 17.61% and 14.95%, respectively. The two worst-performing issues over the year include United Arab Emirates' (UAE) based healthcare firm, NMC Healthcare, and UAE based Emirates Islamic Bank, each returning -2.35% and 0.41%, respectively.

Over the upcoming year we anticipate a supportive investment climate for *sukuk* investors.

About The Authors

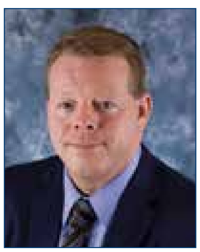


Nick Kaiser MBA, CFA
Chairman, Global Strategist
Amana Income Fund and **Amana Growth Fund** Portfolio Manager

Nicholas Kaiser, Chairman, was born in Bellingham in 1946. Mr. Kaiser graduated from Yale College, with a degree in economics and obtained his MBA from the University of Chicago in 1968, with dual majors in International Economics and Finance. Mr. Kaiser founded Saturna Capital in 1989. Mr. Kaiser has been named to Morningstar's Ultimate Stockpicker's list 10 years running (2010 through 2019); he has twice been nominated for Morningstar's Domestic Stock Portfolio Manager of the Year (2006 & 2008) and twice been named to Barron's Top 100 Portfolio Managers (2001 & 2002). Mr. Kaiser was Northwest Business Monthly's Business Person of the Year in 2006, and received Whatcom Business Alliance's Lifetime Achievement Award in 2013.

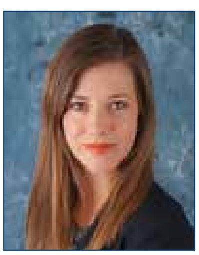
Scott Klimo CFA
Chief Investment Officer
Amana Developing World Fund Portfolio Manager
Amana Income Fund and **Amana Growth Fund** Deputy Portfolio Manager

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.



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.



Elizabeth Alm CFA®
Senior Investment Analyst
Amana Participation Fund Deputy Portfolio Manager

Elizabeth Alm CFA, Investment Analyst, joined Saturna Capital in April of 2018. Originally from Connecticut, she graduated from New York University with degrees in Economics and Anthropology including field work completed in Luxor, Egypt. Prior to joining Saturna, Ms. Alm spent 11 years at Wells Fargo Asset Management as a senior research analyst focusing on high-yield municipal bonds. As part of her previous role, she also worked on the management of several municipal SMA strategies. Ms. Alm is a Chartered Financial Analyst (CFA) charterholder.

Levi Stewart Zurbrugg MBA, CPA®
Senior Investment Analyst

Levi Stewart Zurbrugg, Senior Investment Analyst, joined Saturna in June 2019. He graduated from Western Washington University with a BA in Business Administration and has an MBA from the University of Washington's Foster School of Business. Prior to Saturna, Levi worked at the Sustainability Accounting Standards Board as a Sector Analyst for the Consumer Staples sector. He is a Certified Public Accountant and is currently a Level III candidate in the Chartered Financial Analyst (CFA) program.

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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.*

*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.

Footnotes to commentary:

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[3] Special Rapporteur on Extreme Poverty and Human Rights, United Nations Human Rights Office of the High Commissioner. https://www.ohchr.org/EN/Issues/Poverty/Pages/SRExtremePovertyIndex.aspx

[4] FTSE Russell Factsheet, FTSE Sukuk Index. December 31, 2019

[5] Arablan, G.H., Barakat, M.S., and Naayem, J.H. Mena Daily Update, Bank Audi, December 30, 2019. https://www.bankaudigroup.com/Group-Website/openAudiFile1.aspx?id=4389