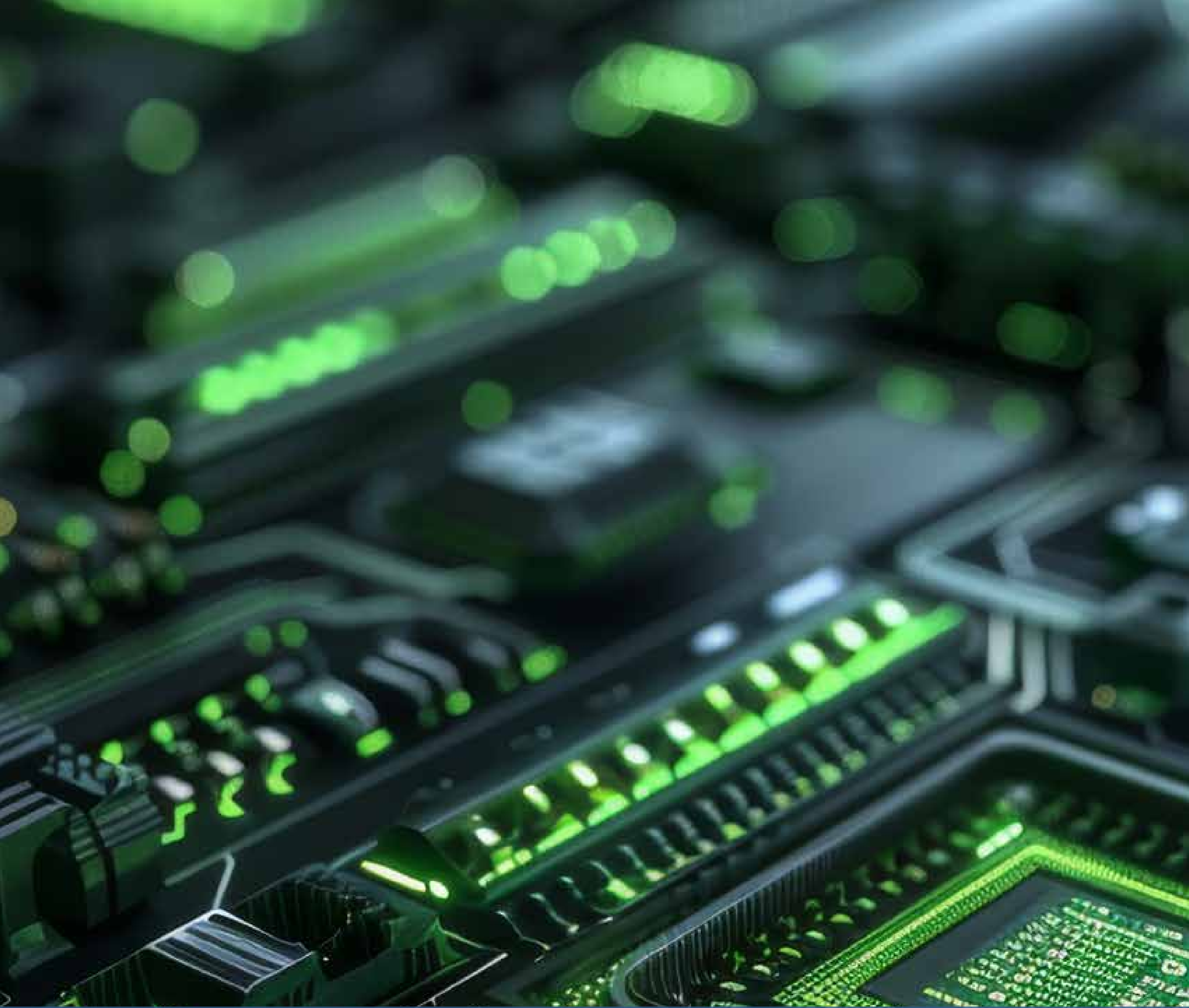

Fund Commentary Q2 2024

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.

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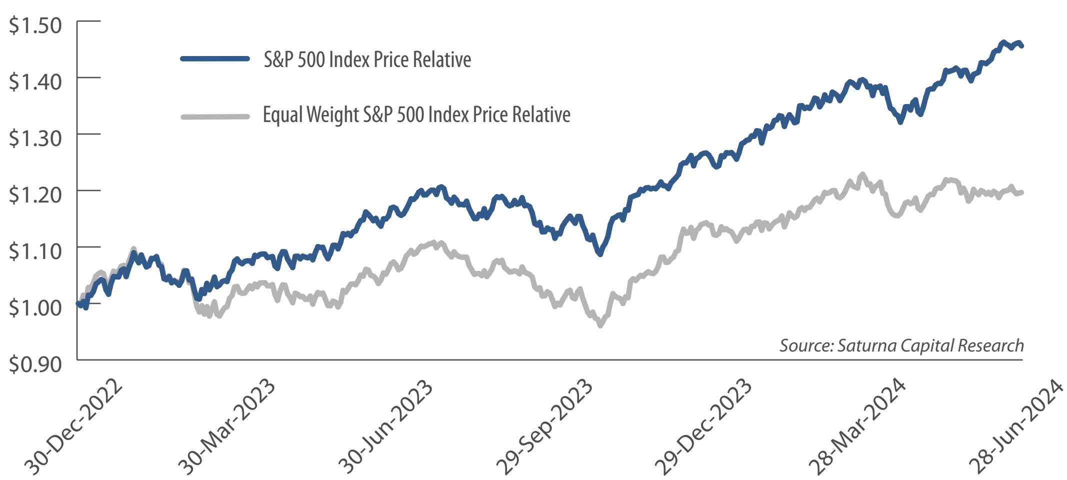
It's said that history doesn't repeat itself, it rhymes. Comparing the first half of 2024 with that of 2023 demonstrates impressive poetry. Over the first six months of 2023, the S&P 500 Index returned 16.89%. For the six-months ended June 30, 2024, the S&P 500 Index returned 15.29%. As was the case in 2023, index returns have been concentrated primarily among Technology stocks, especially those with opportunities in generative artificial intelligence (AI). In the first quarter of 2023 Nvidia led the way, appreciating by a stunning 189.54% and continued its dominant run in 2024 soaring 149.50%. Meanwhile, the other mega-cap stocks that drove 2023 returns have largely repeated their performances with Microsoft, Amazon, Alphabet, and Meta (Facebook) appreciating from just under 20% for Microsoft to over 40% for Meta. After a weak first quarter of 2024, Apple has managed to stage a recovery, returning 9.68% in the six-months ended June 30, 2024, while Tesla has been the outlier shedding 20.36%.

Additionally, the mega-cap Technology stock dominance has again far outpaced the remainder of the market, as shown by the equal-weighted S&P 500 Index returning a mere 4.96% in the first half of 2024 against 6.93% in 2023. The chart below illustrates the ever-growing gap between the two indices. Indeed, since the market bottom in mid-April, the market cap weighted index has again been off to the races while the equal-weighted version treads water.

S&P 500 Index Price Relative vs. Equal Weight S&P 500 Index Price Relative



In the final quarter of 2023, signs emerged that the breadth of performance may improve but those hopes were dashed on the rocks of persistent inflation and higher-for-longer interest rates. Expectations for as many as six rate cuts at the start of the year have moderated to the point that we may not see the first reduction until 2025. As a result, many company stocks have fared poorly. Of the 11 sectors in the S&P 500 Index, six declined over the first half of 2024. In order of descending performance, they were Health Care, Consumer Discretionary, Real Estate, Financials, Energy, Industrials, and Materials. Meanwhile, Technology, Communications Services (Alphabet and Meta), Utilities, Consumer Staples, and Consumer Discretionary registered gains, although the latter two barely squeaked into positive territory. Utilities may seem surprising, but the AI gold rush has completely upended previous projections for the growth in electricity demand due to the surge in power consumption for data centers and AI training.

Outlook

With generative AI driving stock prices, index returns, and capital expenditures, it makes sense to take a step back and try to come to a view about what's really happening. What are the opportunities for monetization, and do they justify the vast sums being invested? As long-term investors, we need to balance near-term business and price momentum with long-term prospects.

We are not AI experts, but we have had opportunities to test its utility in a professional setting and, despite its relative immaturity, have found significant productivity enhancements in a variety of applications. Several departments within Saturna Capital adopted AI tools, including marketing, human resources, and investments, with each picking up productivity gains. These gains fall into the 'faster-better-cheaper'[1] category rather than the 'killer app' category'[2] – it is still very much early days in the development of AI technology.

Many likely consider AI as having started when OpenAI launched ChatGPT in November 2022. But several years of work went into the release, with OpenAI having been founded in 2015. Rather than the years devoted, we focus on the incredible progress made over that time.

A report recently published by former OpenAI researcher Leopold Aschenbrenner noted that in 2019 the information provided by ChatGPT-2 was roughly comparable to what one might expect from a preschooler. By 2020, it had improved to an elementary schooler. GPT-4 brought us to the level of a bright high school student in 2023. Today, the investment devoted to building ever-larger AI training models, while AI researchers work on improving their algorithms and "unhobbling" models means that within a short time GPT-X could be the equivalent of a university-level research engineer and by 2028 as good as an AI engineer.[3]

If these projections are accurate, the question of monetization answers itself. As of January 2024, Microsoft has over 400 million paid Office 365 subscriber seats, according to Satya Nadella on the Fiscal Year 2024 Second Quarter Earnings Conference Call.[4] How many of those seats would be willing to pay a nominal monthly subscription to have a university-level research assistant sitting at their beck and call? Let's say half. If that were the case and each of those seats were willing to shoulder a monthly charge of $85, Microsoft would double its 2023 revenue. For comparison's sake, $85 is roughly three times the average hourly rate for a doctoral-level university assistant, while the subscriber would have that assistant at her beck and call 24/7.

We cannot state with certainty AI evolution but there's a long history of underestimating the spread of transformative technologies. Over the past 50 years desktop computers, cellular phones, and streaming services all suffered their share of naysayers concerned about complexity, cost, or utility yet all ultimately grew to scale, providing enormous benefits to society.

We believe AI will follow this path, as do the big tech companies that are committing tens, if not hundreds, of billions of capital investment dollars in the near future. Thinking back to the dot-com bubble, how much of this capital expenditure will be productive and how much will be misguided? Excess capacity is bad for those companies (and their investors) that created it and good for companies (and their investors) that benefit from low-cost capacity.[5] Our investments are determined to evolve with the industry as we seek long-term beneficiaries of the development and adoption of AI.

Sextant Growth Fund

In the second quarter of 2024, the Investor Shares of the Sextant Growth Fund returned 6.81%, well ahead of the 4.49% return of the S&P 500 Index. At the six-months ended June 30, 2024, the Investor Shares returned 16.60% against the 15.29% return for the S&P 500 Index. Technology, which accounts for the largest portfolio exposure, provided the large majority of Fund returns during the second quarter of 2024, led by Nvidia and Apple. Communication Services (Alphabet) made the next largest contribution. As was the case with the overall market, our returns in several sectors were negative during the quarter, including Consumer Discretionary, Materials, Industrials, and Financials.

Returns in the second quarter of 2024 were dominated by Technology stocks, with Nvidia continuing to lead as we remain in the early innings of artificial intelligence (AI) development. Microsoft, Amazon, Oracle, Broadcom, and Alphabet are all considered AI beneficiaries. During the second quarter, Apple made its pitch for joining the AI bandwagon by teaming up with OpenAI to offer "Apple Intelligence" on its latest phones. Whether that sparks an upgrade cycle remains to be seen. The lone non-Technology related entrant among the top performers was Costco. In the post-pandemic inflationary environment, Costco's pricing strategy has attracted customers looking to stretch their shopping dollar. Looking ahead, the company has not raised membership fees since 2017, making an increase overdue compared to past practice.

Consumer shares were weak in the second quarter as Monster, Lululemon, Lowe's, and Ferguson all declined by double-digit percentages. The latter two have been affected by the interest rate environment and a moribund housing market since remodeling activity often coincides with home purchase. Mastercard and O'Reilly Automotive declined by lesser amounts but were indicative of the view toward consumer stocks during the quarter. Abbott, Corteva, and Quanta all gave back ground after strong first quarter performances.

After being knocked out in the first quarter of 2024, Motorola Solutions moved back into the top ten, replacing Lowe's which has suffered from the low volume of housing transactions leading to less remodeling and repair activity.

As of June 30, 2024

10 Largest Contributors	Return	Contribution
Apple	22.99%	1.82
Alphabet	20.82%	1.53
Nvidia	36.74%	1.30
Microsoft	6.42%	0.73
Costco Wholesale	16.21%	0.64
Broadcom	21.53%	0.57
Amazon	7.13%	0.50
Oracle	12.78%	0.42
Adobe	10.10%	0.33
Qualcomm	18.14%	0.32

10 Largest Detractors	Return	Contribution
Monster Beverage	-15.74%	-0.47
Lowe's	-13.05%	-0.44
Lululemon Athletica	-23.54%	-0.42
Mastercard	-8.27%	-0.39
Advanced Micro Devices	-10.13%	-0.28
Ferguson	-11.00%	-0.23
Abbott Laboratories	-7.38%	-0.19
O'Reilly Automotive	-6.45%	-0.15
Corteva	-6.19%	-0.14
Quanta Services	-6.41%	-0.12

Top 10 Holdings	Portfolio Weight
Microsoft	11.26%
Apple	8.50%
Alphabet, Class A	8.00%
Amazon	7.23%
Nvidia	6.00%
Costco Wholesale	4.14%
Mastercard, Class A	3.61%
Adobe	3.43%
Oracle	3.43%
Motorola Solutions	3.21%

Sextant International Fund

In the second quarter of 2024, the Z Shares of the Sextant International Fund returned -0.55% compared to -0.17% for the MSCI EAFE Index, and a gain of 1.17% for the MSCI ACWI ex US Index. The Health Care and Industrials sectors led gains, while Technology and Consumer Discretionary lagged with moderate losses. The top individual contributors during the second quarter of 2024 came from Technology (Taiwan Semiconductor, ASML Holdings), Health Care (Novo Nordisk, AstraZeneca), Consumer Discretionary (MercadoLibre) and Industrials (Wolters Kluwer). Detractors came from Technology (NICE Systems, Dassault Systemes, and Accenture), Industrials (Ferguson), and Consumer Discretionary (Lululemon).

Whether one believes tightened monetary policy has worked effectively, or the economy is just normalizing after the pandemic, softening inflation signals are becoming increasingly undeniable. This has even caused some pundits to switch their narratives from criticizing the Federal Reserve for being too dismissive on inflation, to sounding the alarm that policy is now too restrictive, which may trigger a severe economic contraction. Another common sound bite is that because there are many optimistic investors, the smart move is to be contrarian and remain cautious. Of course, the bulls claim that they are the contrarians, and that the healthy group of pessimists calling for a sell-off gives them more reason to stay positive. As market strategists run out of issues to argue about, their attention has more recently turned to the US elections, prompting investors to continue tuning in as they discuss hypothetical Trump and Biden portfolios.

How does a prudent investor decide where to put his or her hard-earned money amidst the sea of conflicting signals and excess analysis? We stick to the view that the world is simply working its way through a series of semi-independent economic cycles across sectors, industries, regions, and even consumer segments. The primary reason economists have been so inaccurate these past two years is because the pandemic severely distorted both contraction and recovery trajectories, which rendered all versions of historical cycles virtually useless as a proper comparison. Never has the economy experienced complete shutdowns of specific sectors and segments of the supply chain, coupled with highly differing policy actions instated by individual countries.

Other factors that have thrown the economic cycle even further off its standard trajectory include the electric vehicle (EV) boom-bust (now back to recovery), and the artificial intelligence (AI) induced investment arms race. With this many moving parts influencing an already distorted economy,

As of June 30, 2024

10 Largest Contributors	Return	Contribution
Taiwan Semiconductor	28.16%	1.17
Novo-Nordisk A/S	11.17%	1.06
Mercadolibre	8.69%	0.57
Wolters Kluwer	6.89%	0.45
ASML Holding NY	5.60%	0.36
AstraZeneca ADS	15.11%	0.23
Alcon	8.06%	0.21
SAP SE	4.72%	0.21
Schneider Electric	7.88%	0.16
Experian	7.80%	0.15

10 Largest Detractors	Return	Contribution
NICE Systems ADR	-34.02%	-1.76
Dassault Systemes ADR	-14.16%	-0.67
Accenture	-12.12%	-0.47
Open Text	-22.00%	-0.43
Ferguson PLC	-11.00%	-0.42
Lululemon Athletica	-22.46%	-0.40
STMicroelectronics	-8.95%	-0.20
Linde	-5.19%	-0.18
Hermes International	-9.28%	-0.18
Canadian National Railway	-9.87%	-0.17

Top 10 Holdings	Portfolio Weight
Novo Nordisk ADS	10.51%
ASML Holding NY	7.32%
Wolters Kluwer	6.69%
MercadoLibre	6.42%
Taiwan Semiconductor ADS	5.30%
Dassault Systemes ADR	4.35%
NICE Systems ADR	3.90%
SAP ADS	3.82%
Ferguson PLC	3.45%
Linde	3.15%

it becomes almost meaningless to attempt making broad market calls using traditional, top-down narratives. The more productive exercise in terms of generating alpha will be to accurately analyze and identify individual investment theses that have the durability to flourish, irrespective of how many times the Fed decides to cut rates next year or who wins the election.

Asian Intelligence

Over the past two years, AI has placed the spotlight firmly on large-cap US Technology stocks. Even the biggest laggard has joined the party with its recent introduction of Apple

Continued on page 11

Sextant Global High Income Fund

In the quarter ended June 30, 2024, The Sextant Global High Income Fund returned 1.24%. The Fund's equity benchmark, the S&P Global 1200 Index returned 3.13%, while the Fund's fixed-income benchmark the Bloomberg Global High Yield Corporate Index returned 1.08%. The Fund's Morningstar Global Allocation peer group returned 0.55%.

Factors Influencing Performance

The Federal Reserve's last interest rate increase was in July 2023, and its next move appears to be a rate cut. However, the timeline for prospective cuts continues to be pushed forward as inflation remains above target and economic growth remains resilient. Optimism about artificial intelligence (AI) has continued to drive equity returns for much of the past 18 months since the release of the ChatGPT by artificial intelligence research lab OpenAI.

Materials producers South 32 and Norsk Hydro were the Fund's best performers during the second quarter of 2024. Both companies operate in the aluminum value chain. We are bullish on aluminum demand for its role in electrification, not only for powering a growing fleet of electric vehicles (EV), but increasingly, for powering data centers running AI models.

European holdings Orange, GlaxoSmithKline, and Volkswagen were the Fund's worst performers during the period.

Looking Ahead

The second half of 2024 may feature a sharp increase in political uncertainty with the two major parties' nominating conventions this summer, and increasing concerns about President Biden's viability as an octogenarian candidate.

While AI frenzy has driven US equity returns recently, an increasingly adversarial relationship between the US and China escalates geopolitical risk that is compounded by the uncertainty around election candidates and outcomes. In the US, large budget deficits are beginning to bite with higher interest rates, which may constrain politicians from enacting growth-oriented fiscal policies such as tax cuts or spending increases, and may make it increasingly difficult to reign in higher than desired inflation rates.

As of June 30, 2024

10 Largest Contributors	Return	Contribution
South32	24.92%	0.48
Norsk Hydro	18.07%	0.36
Skandinaviska Enskilda Banken, Class A	8.95%	0.31
Novartis AG	10.06%	0.25
Shell	8.70%	0.24
Virtu Financial	10.60%	0.18
Telenor	6.51%	0.16
Southern Copper	2.20%	0.13
Treasury Note *(2 05/31/24)*	0.88%	0.09
MDC Holdings*(3.85% 01/15/2030)*	3.31%	0.06

10 Largest Detractors	Return	Contribution
Orange ADR	-11.74%	-0.28
GlaxoSmithKline ADS	-9.44%	-0.28
Volkswagen	-8.02%	-0.15
Woodside Energy Group ADR	-5.81%	-0.10
Cisco Systems	-4.03%	-0.10
SK Telecom ADR	-2.92%	-0.07
Nintendo	-1.77%	-0.06
Norfolk Southern *(5.1% 08/01/2118)*	-2.19%	-0.06
CSX *(4.65% 03/01/68)*	-2.00%	-0.05
Colombia Republic *(8.375% 02/15/2027)*	-3.05%	-0.05

Top 10 Holdings		Portfolio Weight
Southern Copper	*Equity*	5.72%
Skandinaviska Enskilda Banken, Class A	*Equity*	3.89%
BHP Biliton ADR	*Equity*	3.30%
ANZ Group Holdings ADR	*Equity*	2.96%
Shell PLC	*Equity*	2.88%
Nintendo	*Equity*	2.80%
Novartis ADS	*Equity*	2.80%
YUM! Brands *(3.625% 03/15/2031)*	*Bond*	2.73%
GlaxoSmithKline ADS	*Equity*	2.63%
Edison International *(3.55% 11/15/2024)*	*Bond*	2.60%

Sextant Core Fund

At quarter-end June 30, 2024, the Sextant Core Fund returned 1.04%. The Fund's benchmarks returned -0.14% for the Dow Jones Moderate Portfolio Index, 0.07% for the Bloomberg US Aggregate Index, 1.91% for the 60/40 S&P Global 1200 Index / Bloomberg US Aggregate Index Composite, and 3.13% for the S&P Global 1200 Index for the same period. During the second quarter of 2024, the Fund 's asset allocation largely remained stable with the end of the first quarter, and it continues to find value in short-term treasuries where it holds an 18.21% position in bills with under a year-to-maturity.

Equities

The Sextant Core Fund's mandate allocates a 60% weight in equity securities, with two-thirds being US-domiciled companies and one-third foreign-domiciled. The Fund generally holds equity positions in larger companies with strong balance sheets; the average market capitalization of positions held by the Fund was $313 billion with an average 18% total debt-to-market capitalization at the end of the second quarter. The Fund's 58.84% equity allocation at quarter-end was comprised of 58 positions across 13 countries.

Performance for both the second quarter and year-to-date was broad-based with a mix of cyclical and defensive companies among both the largest contributors and detractors. Although the Utilities, Industrials, Health Care, and Technology sectors were all represented among the top contributors, Technology remains a the most represented sector. That said, year-to-date, Health Care company Novo Nordisk, and Industrial electric equipment supplier Eaton, have been the largest contributors to Fund performance. With Novo Nordisk benefiting from its leadership in GLP-1 drugs that treat diabetes and obesity, and Eaton at the center of the energy transition and artificial intelligence's (AI) thirst for energy, we continue to find attractive opportunities both within and outside of the widely-discussed Technology sector.

Top detractors were skewed towards cyclicals. The Fund's largest detractors we represented by a host of cyclical industries including Consumer Discretionary, Materials, Industrials, and Energy. Year-to-date, the Fund's largest detractor was Lululemon, which was exited from the Fund. In the second quarter the largest detractor was Floor & Décor, a position we also trimmed. Both retailers had seen strong gains over the past two years but with growth slowing and valuations stretched, we find it prudent to lower our exposure here.

As of June 30, 2024

10 Largest Contributors	Return	Contribution
Alphabet, Class A	20.82%	0.32
Apple	22.99%	0.30
Novo-Nordisk A/S ADR	11.17%	0.28
Taiwan Semiconductor ADR	28.16%	0.26
Nvidia	36.74%	0.23
Broadcom	21.53%	0.23
Oracle	12.78%	0.19
Nextera Energy	11.53%	0.18
Treasury Bill *(0 08/08/24)*	1.31%	0.18
AstraZeneca	15.11%	0.17

10 Largest Detractors	Return	Contribution
Floor & Decor, Class A	-23.31%	-0.23
Lululemon Athletica	-22.46%	-0.17
Mineral Resources	-22.06%	-0.16
Enphase Energy	-17.58%	-0.15
Lowe's	-13.05%	-0.15
Fastenal	-18.07%	-0.14
GlaxoSmithKline, ADR	-9.44%	-0.14
Canadian National Railway	-9.87%	-0.10
ConocoPhillips	-9.56%	-0.10
Canadian Pacific Kansas City	-10.57%	-0.10

Top 10 Holdings		Portfolio Weight
Treasury Bill due 08/08/2024	*Bond*	16.67%
Novo Nordisk ADS	*Equity*	2.81%
Eaton	*Equity*	2.47%
Microsoft	*Equity*	2.38%
Comcast *(5.650% 06/15/2035)*	*Bond*	2.03%
Pacificorp *(6.00% 01/15/2039)*	*Bond*	2.01%
Alphabet, Class A	*Equity*	1.80%
Oracle *(2.95% 4/1/2030)*	*Bond*	1.75%
Oracle	*Equity*	1.73%
SAP ADS	*Equity*	1.67%

Fixed Income

The Sextant Core Fund targets an 40% allocation to investment-grade fixed-income securities including government and convertible bonds, money-market instruments, and cash. The actual allocation to cash and fixed-income at quarter-end June 30, 2024 was 41.16%.

The US Federal Reserve has been in "pause" mode for almost a year after an aggressive string of rate hikes in 2022 and 2023. Higher interest rates on bonds improve their ability to cushion equity declines and reduce portfolio volatility. The next moves

Continued on page 13

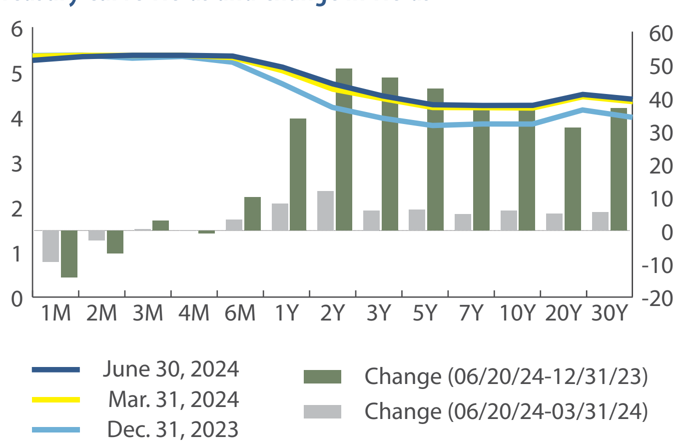
The Sextant Short-Term Bond Fund returned 0.89% in the second quarter of 2024 while the Bloomberg US Aggregate Index returned 0.07%, and the Bloomberg US Aggregate 1-3 Year Bond Index returned 0.95% for the same period. For the trailing 12-month period, the Fund returned 4.15% relative to 2.63% for the Bloomberg US Aggregate Index, and 4.92% for the Bloomberg US Aggregate 1-3 Year Bond Index.

The Sextant Bond Income Fund returned -0.16% for the second quarter of 2024. The FTSE USBIG Bond Index returned 0.13% and the Bloomberg US Aggregate Index returned 0.07% for the same period. For the trailing 12-month period, the Fund returned 1.84% and the FTSE USBIG Bond Index returned 2.66% and the Bloomberg US Aggregate Index returned 2.63%. The primary reason for the underperformance was due to the Fund's relative longer duration.

Market Overview

Over the second quarter of 2024, the bond market has been driven largely by how economic data may inform the timing of potential rate cuts by the Federal Reserve. Markets have experienced higher volatility surrounding positive economic data, which may delay cuts. Despite volatility during the second quarter of 2024, the Treasury curve was relatively close to where it began. For example, the 10-year started the quarter at 4.31%, and ended at 4.39%. However, 10-year yields rose to a high of 4.70% mid-April when volatility peaked. Investors should pay attention to political elections in 2024 as 64 countries, including the European Union, representing nearly half of the world's population will be holding elections.[6] These elections have already introduced volatility into the global markets, and we expect more volatility to follow in the months to come.

Treasury Curve Yields and Change in Yields



Sextant Bond Income Fund

The primary reason that the Sextant Bond Income Fund underperformed the over the second quarter was the longer duration relative to the Bloomberg US Aggregate Index. At quarter-end the Fund had an effective duration of 7.29 years while the FTSE USBIG Index and the Bloomberg US Aggregate Index had effective durations of 6.01 years and 6.18 years, respectively. Following this pattern, the shorter corporate bonds in the Fund also had the highest total return. The Fund's best performing security during the quarter was the 2047 State Street floating rate bond, which has a duration of 0.15 years and returned 2.32%. The lowest performing bond was also the longer bonds in the Fund, the 2052 Treasury bond, which returned -2.33% for the quarter.

Sextant Short Term Bond Fund

The Sextant Short-Term Bond Fund and Bloomberg US Aggregate 1-3 Year Bond Index had relatively similar performance this past quarter, with a differential of only 6-bps, while the Fund outperformed the Bloomberg US Aggregate Index by 82-bps. The primary drivers of performance over the second quarter were bonds with maturities within one year. The Fund's best performing bond was the 2024 VF Corporation returning 1.59%. The lowest performing bond was the 2029 Verizon, returning 0.02%. Duration in the Sextant Short-Term Bond Fund continues to be shorter than the benchmarks, at 1.35 years relative to 6.01 years for the Bloomberg US Aggregate Index, and 1.9 years for the Bloomberg US Aggregate 1-3 Year Bond Index.

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Sextant Short-Term Bond Fund Top 10 Holdings	Portfolio Weight
Treasury Bill due 08/08/2024	8.68%
US Treasury N/B *(2.375% 05/15/2027)*	5.63%
United States Treasury Note *(2.25% 10/31/2024)*	5.46%
US Treasury N/B *(1.50% 02/15/2025)*	5.38%
United States Treasury Note *(2.625% 12/31/2025)*	5.33%
US Treasury Bill due 7/18/2024	4.58%
Florida Power & Light *(2.85% 04/01/2025)*	3.78%
United States Treasury Note *(2.875% 04/30/2025)*	3.61%
Bank of America *(3.50% 04/19/2026)*	3.56%
Koninklijke KPN *(8.375% 10/01/2030)*	3.19%

Sextant Bond Income Fund Top 10 Holdings	Portfolio Weight
United States Treasury Bond *(4.25% 05/15/2039)*	7.44%
United States Treasury Bond *(3.375% 11/15/2048)*	4.50%
United States Treasury Bond *(5.375% 02/15/2031)*	4.19%
Apple *(4.50% 02/23/2036)*	3.37%
Microsoft *(4.20% 11/03/2035)*	3.30%
Intel *(4.00% 12/15/2032)*	3.27%
Home Depot *(5.875% 12/16/2036)*	3.14%
US Treasury N/B *(2.875% 05/15/2052)*	2.91%
Burlington Northern Santa Fe *(5.05% 03/01/2041)*	2.90%
Praxair (Linde AG) *(3.55% 11/07/2042)*	2.75%

Sextant International Fund

Continued from page 7

Intelligence. Given the huge run-up in Technology, investors have been identifying offshoots of the AI trade within the Industrials and Utilities sectors. On the margin, software has taken a back seat after first quarter earnings season revealed that AI-related capital expenditures (CapEx) would at least initially be more weighted in hardware and semiconductor deployments. With US equities now trading at an eye watering 70% premium to international stocks, it is likely capital will work its way to other parts of the world over the medium term.

Spending four weeks in Asia meeting with management teams has revealed that there are still many undiscovered that are not even offshoots, but direct beneficiaries of the AI investment cycle. These sleeping giants are world-class category leaders with not only strong technology, fortress balance sheets, but in many cases newly revamped, shareholder-friendly capital allocation policies. The best part is that valuation is generally very attractive relative to their respective US / Western peers. As of early July 2024, interesting comparisons include Fuji Electric versus Eaton Corporation (electrical components, uninterrupted power supply) trading at 16.3x vs. 30.3x forward PE, Renesas versus Texas Instruments (analog, MCU semiconductors) trading at 13.9x vs. 38.5x, and Fujikura versus Corning (optical fiber cables) trading at 16x vs. 20.4x, respectively.

Market Outlook

We are entering an economic regime where global growth is likely to remain sluggish and the cost of capital is elevated. While inflation and interest rates remain important market forces, their impact will likely diminish going forward as their associated tail risks have largely been mitigated. Last year the Fed's policy actions could be described as defusing a bomb, where even a minor error could have severe consequences. This year, the challenge is more akin to parking a boat in a narrow slip on a rainy day —there will be bumps and collisions (economic weakness, sticky inflation), but likely nothing that will sink the ship. Under this scenario, all Jerome Powell needs to do is continue to flip between hawkish and dovish narratives based on the prevailing risks at the time, until the US economy eventually achieves some form of "landing."

Portfolio Positioning

In this slow growth and elevated cost of capital equals margin pressure environment, the strategy's focus is on companies that offer products specifically designed to drive enterprise productivity and cost efficiency. The global economy is experiencing multiple technological inflections that will likely result in material economic upside relative to market expectations over the next several years. That said, the strategy is generally avoiding certain areas where valuation has likely run ahead of fundamentals, and the more economically sensitive sectors such as Consumer Discretionary that will likely experience a cyclical downturn as restrictive monetary policy continues to run its course. The most attractive opportunities are being identified within hardware, software, and pockets of industrials that are exposed to the AI investment cycle and digital transformation. From a regional perspective, businesses with US end-market exposure and individual Technology firms in Asia are also attractive.

Performance Summary

As of June 30, 2024

Average Annual Total Returns *(before taxes, net of fees)*	1 Year	3 Year	5 Year	10 Year	15 Year	Expense Ratio[A] *Gross*	*Net*
Sextant Growth Fund Investor Shares (SSGFX)	23.12%	7.62%	14.87%	12.04%	13.14%	1.00%[C]	
Sextant Growth Fund Z Shares (SGZFX)[B]	23.44%	7.90%	15.16%	n/a	n/a	0.76%[C]	
S&P 500 Index	24.56%	10.02%	15.03%	12.85%	14.81%	n/a	
NASDAQ Composite Index	29.66%	7.82%	18.24%	16.14%	17.60%	n/a	
Morningstar "Large Growth" Category	29.15%	6.15%	15.08%	13.40%	15.00%	n/a	
Sextant International Fund Investor Shares (SSIFX)	17.59%	4.21%	7.81%	6.90%	7.23%	1.00%[C]	
Sextant International Fund Z Shares (SIFZX)[B]	17.81%	4.42%	8.04%	n/a	n/a	0.77%[C]	
MSCI EAFE Index	12.09%	3.43%	6.97%	4.84%	7.26%	n/a	
Morningstar "Foreign Large Growth" Category	9.87%	-2.28%	6.16%	5.36%	7.61%	n/a	
Sextant Core Fund (SCORX)	10.41%	3.46%	6.58%	5.36%	6.78%	0.81%[C]	
Dow Jones Moderate US Portfolio Index	9.12%	0.42%	5.23%	5.27%	7.54%	n/a	
S&P Global 1200 Index	20.61%	7.42%	12.20%	9.71%	11.59%	n/a	
Bloomberg US Aggregate Bond Index	2.63%	-3.02%	-0.23%	1.35%	2.50%	n/a	
60% / 40% S&P Global 1200 Index / Bloomberg US Aggregate Index	13.19%	3.31%	7.36%	6.53%	8.14%	n/a	
Morningstar "Moderate Allocation" Category	12.61%	2.83%	7.05%	6.20%	8.42%	n/a	
Sextant Global High Income Fund (SGHIX)[D]	9.62%	2.47%	2.69%	3.46%	n/a	0.91[C]	0.75%[E]
S&P Global 1200 Index	20.61%	7.42%	12.20%	9.71%	11.59%	n/a	
Bloomberg Global High Yield Corporate Index	10.33%	0.30%	3.06%	3.36%	6.89%	n/a	
Morningstar "Global Allocation" Category	10.38%	1.39%	5.01%	3.95%	6.77%	n/a	
Sextant Short-Term Bond Fund (STBFX)	4.15%	0.26%	0.96%	1.16%	1.44%	0.88%[C]	0.60%[E]
Bloomberg US Aggregate Bond Index	2.63%	-3.02%	-0.23%	1.35%	2.50%	n/a	
Bloomberg US Aggregate 1-3 Year Bond Index	4.92%	0.56%	1.20%	1.34%	1.49%	n/a	
Morningstar "Short-Term Bond" Category	5.96%	0.67%	1.59%	1.64%	2.26%	n/a	
Sextant Bond Income Fund (SBIFX)	1.84%	-4.64%	-1.16%	1.01%	2.51%	0.89%[C]	0.65%[E]
Bloomberg US Aggregate Index	2.63%	-3.02%	-0.23%	1.35%	2.50%	n/a	
FTSE US Broad Investment-Grade Bond Index	2.66%	-3.12%	-0.23%	1.35%	2.46%	n/a	
Morningstar "Long-Term Bond" Category	1.72%	-6.48%	-0.86%	2.24%	4.86%	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 the Funds' most recent prospectus or summary prospectus, dated March 29, 2024, and incorporate results from the fiscal year ended November 30, 2023. Higher expense ratios may indicate higher returns relative to a fund's benchmark.

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

[C] Effective March 31, 2023, the management fee paid to Saturna Capital Corporation, the Fund's adviser, for providing services to the Fund is 0.50% of average daily net assets of the Fund. Prior to this date, the management fee consisted of a base fee at an annual rate of 0.50% of the Fund's average net assets and a positive or negative performance adjustment of up to an annual rate of 0.20% (applied to the average assets at the end of each month), resulting in a total minimum fee of 0.30% and a total maximum fee of 0.70%.

[D] Sextant Global High Income Fund began operations March 30, 2012.

[E] The adviser has committed through March 31, 2025, to waive fees and/or reimburse expenses to the extent necessary to ensure that the Fund's net operating expenses, excluding brokerage commissions, interest, taxes, and extraordinary expenses, do not exceed the net operating expense ratio of 0.75% for Sextant Global High Income Fund, 0.60% for Sextant Short-Term Bond Fund, and 0.65% for Sextant Bond Income Fund. This expense limitation agreement may be changed or terminated only with approval of the Board of Trustees.

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 S&P 500 Equal Weight Index (EWI) is the equal-weight version of the widely-used S&P 500. The index includes the same constituents as the capitalization weighted S&P 500, but each company in the S&P 500 EWI is allocated a fixed weight - or 0.2% of the index total at each quarterly rebalance. The NASDAQ Composite Index measures the performance of more than 5,000 US and non-US companies traded "over the counter" through NASDAQ. The MSCI EAFE Index is an international index focused on Europe, Australasia, and the Far East. The MSCI ACWI Index, produced by Morgan Stanley Capital International, measures equity market performance throughout the world. The S&P Global 1200 Index is a global stock market index covering nearly 70% of the world's equity *markets. The Bloomberg 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 Bloomberg US Aggregate 1-3 Year Bond Index tracks bonds with 1-3 year maturities within the flagship Bloomberg US Aggregate Bond Index. The Bloomberg US Aggregate Bond Index is a broad-based, flagship benchmark that measures the investment-grade, US dollar-denominated, fixed-rate taxable bond market. The FTSE US Broad Investment-Grade Bond Index is a broad-based index of medium and long-term investment-grade bond prices. The S&P Global 1200 Index is a global stock market index covering nearly 70% of the world's equity markets. The Bloomberg US Aggregate Bond Index is a broad-based, flagship benchmark that measures the investment-grade, US dollar-denominated, fixed-rate taxable bond market. 60% / 40% S&P Global 1200 Index / Bloomberg US Aggregate Index blends the S&P Global 1200 Index with the Bloomberg US Aggregate Index by weighting their total returns at 60% and 40%, respectively. The blend is rebalanced monthly and results reflect the reinvestment of dividends gross of foreign withholding taxes. When available, Saturna uses total return components of indices mentioned. 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.

Sextant Core Fund

Continued from page 9

by the Fed are likely to be cuts in interest rates, although the timing of such cuts remains uncertain. This uncertainty led to volatility in the long end of the curve, leading to the Fund's longest dated, *03/01/2068 CSX Corporation*, bond to be one of the largest detractors from fund performance year-to-date. At the same time stability in the front-end and the Fund's large position in the *08/08/2024 US Treasury Bill* allowed its shortest dated security to be one of the top contributors in the by quarter ended June 30, 2024.

Looking Forward

The second half of the fiscal period may feature increased political uncertainty, with national elections in the UK in July, and US presidential elections in November. While optimism about AI has driven equity returns recently, an increasingly adversarial relationship between the US and China escalates geopolitical risk that is compounded by uncertainty around election outcomes. In the US, large budget deficits are beginning to bite with higher interest rates, which may constrain politicians from enacting growth-oriented fiscal policies such as tax cuts or spending increases and may make it increasingly difficult to reign in higher-than-desired inflation rates. At the same time, a robust-but-softening labor market and its tendency for non-linear moves can't be ignored. Potential turbulence requires full attention, and we remain steadfastly vigilant at the helm.

Performance Summary

As of June 30, 2024

Morningstar Ratings™ [A]	Overall	1 Year	3 Year	5 Year	10 Year
Sextant Growth Fund – "Large Growth" Category					
Investor Shares (SSGFX)	★★★	n/a	★★★	★★★	★★
% Rank in Category	n/a	77	48	57	74
Z Shares (SGZFX)	★★★	n/a	★★★	★★★	☆☆☆
% Rank in Category	n/a	76	44	53	73
Number of Funds in Category	1,092	1,162	1,092	1,019	794
Sextant International Fund – "Foreign Large Growth" Category					
Investor Shares (SSIFX)	★★★★	n/a	★★★★★	★★★★	★★★★
% Rank in Category	n/a	10	4	24	19
Z Shares (SIFZX)	★★★★	n/a	★★★★★	★★★★	☆☆☆☆
% Rank in Category	n/a	9	3	21	16
Number of Funds in Category	383	398	383	331	221
Sextant Core Fund – "Moderate Allocation" Category					
(SCORX)	★★★	n/a	★★★★	★★★	★★★
% Rank in Category	n/a	75	36	58	75
Number of Funds in Category	689	740	689	649	493
Sextant Global High Income Fund – "Global Allocation" Category					
(SGHIX)	★★★	n/a	★★★★	★★	★★★
% Rank in Category	n/a	59	33	89	67
Number of Funds in Category	338	351	338	320	240
Sextant Short-Term Bond Fund – "Short-Term Bond" Category					
(STBFX)	★★	n/a	★★★	★★	★★
% Rank in Category	n/a	97	69	83	85
Number of Funds in Category	522	555	522	482	354
Sextant Bond Income Fund – "Long-Term Bond" Category					
(SBIFX)	★★★	n/a	★★★★	★★★★	★★
% Rank in Category	n/a	54	22	67	99
Number of Funds in Category	33	36	33	32	25

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[A] Morningstar Ratings™ ("Star Ratings") are as of June 30, 2024. 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.

Unshaded stars indicate extended performance. Extended performance is an estimate based on the performance of a fund's oldest share class, adjusted for fees.

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

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

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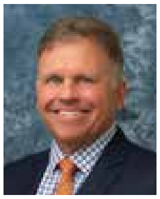

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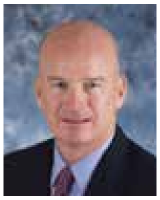

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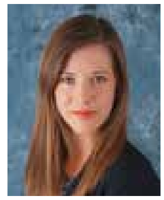

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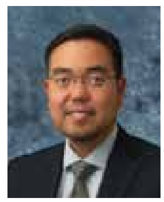

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Footnotes to Commentary:

[1] *McCurdy, Howard E. "Faster, Better, Cheaper: Low-Cost Innovation in the U.S. Space Program." Johns Hopkins University Press, October 29, 2003.*

[2] *Downes, Larry, et al. "Unleashing the Killer App: Digital Strategies for Market Dominance." Revised Edition. Harvard Business Review Press. March 1, 2000.*

[3] *Aschenbrenner, Leopold. "Situational Awareness: The Decade Ahead." June 2024. https://situational-awareness.ai/*

[4] *"Microsoft Corporation (NASDAQ:MSFT) Q2 2024 Earnings Call Transcript." Yahoo Finance. February 1, 2024. https://finance.yahoo.com/news/microsoft-corporation-nasdaq-msft-q2-160938899.html*

[5] *Cahn, David. "AI's $200B Question." Sequoia, September 20, 2023. https://www.sequoiacap.com/article/follow-the-gpus-perspective/*

[6] *Ewe, Koh. "The Ultimate Election Year: All the Elections Around the World." Time Magazine. December 28, 2023. https://time.com/6550920/world-elections-2024/*

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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), weighting these values (multiplying each by the company's percent share of total portfolio assets), and then totaling the weighted values.*

Effective duration *is a measure of a fund's sensitivity to changes in interest rates and the markets. A fund's modified duration is a dollar-weighted average length of time until principal and interest payments must be paid. Longer maturities typically indicate greater sensitivity to interest rate changes than shorter maturities. Effective duration differs from modified duration in that it accounts for the optionality embedded in call options and other security specific covenants that can change expected cash flows as the result of the movement of interest rates. Longer durations tend to indicate greater sensitivity to interest rate changes than shorter durations.*

A Few Words About Risk

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.*