

Sextant Short-Term Bond

Semi-Annual Shareholder Report - May 31, 2024



Fund Overview

The objective of the Short-Term Bond Fund is capital preservation and current income. This Semiannual Shareholder Report contains important information about the Sextant Short-Term Bond Fund for the period of December 1, 2023 to May 31, 2024. You can find additional information about the Fund at www.saturna.com/sextant/short-term-bond-fund. You can also request this information by contacting us at 1-800-728-8762 or investorservices@saturna.com. **The report describes changes to the Fund that occurred during the reporting period.**

What were the Fund's costs for the last 6 months? (Based on a hypothetical \$10,000 investment)

Class Name	Cost of a \$10,000 Investment	Cost Paid as a % of a \$10,000 Investment
Sextant Short-Term Bond	\$30.29	0.60%

How did the Fund perform over the last six months?

For the six-month period ended May 31, 2024, the Sextant Short-Term Bond Fund returned 1.96%. The Bloomberg US Aggregate 1-3 Year Index returned 2.06%. For the five-year period ended May 31, 2024, the Fund reported an annualized total return of 1.03%, compared to 1.20% for the Index. The primary reason for the Fund's underperformance was lack of exposure to securitized debt, and cash positions.

Factors Affecting Past Performance

Persistent high inflation, economic growth uncertainty, and widening deficits among most world economies brought considerable market volatility in fiscal 2024. The Treasury curve was highly volatile throughout the year, with swings of over 100 basis points (bps) across the curve. Ultimately, the curve shifted up over the year, especially in the long end, marking a pronounced bear steepener.

As of May 31, 2024, the Sextant Short-Term Bond Fund had 49.2% of assets in bonds maturing inside of one year. In comparison, the Bloomberg US Aggregate 1-3 Year Index had 5.5% of such bonds. The Index held nearly 95% of its assets in bonds with maturities between one and three years, while the Fund held around 41.5% of its assets in such bonds. Bonds with maturities between zero and one years were the primary drivers of fiscal year 2024 performance, and the portfolio's overweight to this maturity bucket aided performance.

Overall, the Fund was positioned defensively during the six-month period, with an allocation to the very front end of the curve and only an 8% allocation to bonds outside of three years. This is reflected in the Fund's effective duration of 1.43, shorter than the Index, which had an effective duration of 1.76 years.

Looking Forward

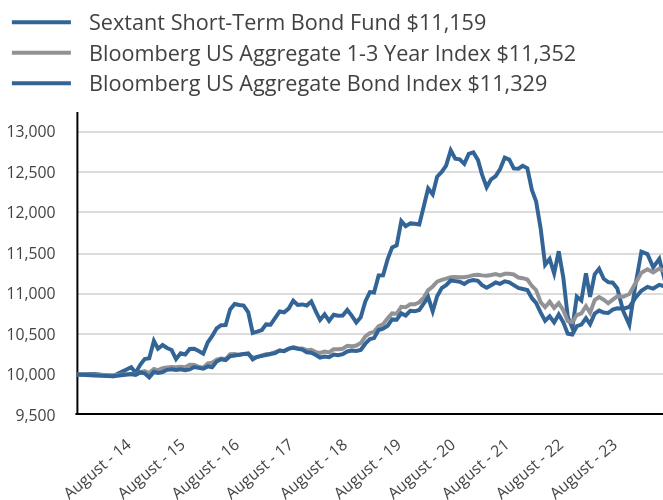
Federal Reserve policy changes, economic uncertainty, persistent high inflation, and elevated geopolitical risks may lead to continued volatility for yields and the Treasury curve in fiscal 2025. The Sextant Short-Term Bond Fund portfolio remains defensively positioned to better withstand anticipated yield curve changes, currency movements, and inflationary pressures. Our goal has always been to choose good companies and invest through cycles rather than engage in market timing with outsized active bets.

How did the Fund perform over the past 10 years?

The Cumulative Performance chart reflects a hypothetical \$10,000 investment in the class of shares noted. Past performance does not guarantee future results. The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or redemption of Fund shares.

Cumulative Performance

May 31, 2014 through May 31, 2024 with initial investment of \$10,000.



Effective May 31, 2024, the Fund is adding a new performance benchmark, the Bloomberg US Aggregate Bond Index, which the investment adviser believes better reflects the Fund's investment approach.

Annual Average Total Return

	1 Year	5 Year	10 Year
Sextant Short-Term Bond	3.66%	1.03%	1.10%
Bloomberg US Aggregate 1-3 Year Index	3.92%	1.20%	1.27%
Bloomberg US Aggregate Bond Index	1.31%	-0.17%	1.25%

Please visit www.saturna.com/sextant/short-term-bond-fund for more recent performance information.

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Key Fund Statistics

Total Net Assets	\$10,827,122
# of Portfolio Holdings	37
Advisory Fees Paid	\$27,275
Portfolio Turnover Rate	11%

What did the Fund invest in?

Top 10 Holdings

% of Total Net Assets

United States Treasury Note (2.375% due 05/15/2027)	5.6%
United States Cash Management Bill (-% due 08/8/2024)	5.5%
United States Treasury Note (2.250% due 10/31/2024)	5.5%
United States Treasury Bond (1.500% due 02/15/2025)	5.4%
United States Treasury Note (2.625% due 12/31/2025)	5.3%
Florida Power & Light (2.850% due 04/1/2025)	3.8%
United States Treasury Note (2.875% due 04/30/2025)	3.6%
Bank of America (3.500% due 04/19/2026)	3.6%
United States Cash Management Bill (-% due 06/27/2024)	3.2%
Edison International (3.550% due 11/15/2024)	3.2%

Sector Weightings
 % of Total Net Assets

Government	35.0%
Financials	16.2%
Utilities	11.2%
Consumer Staples	8.9%
Communications	7.1%
Technology	5.6%
Consumer Discretionary	5.5%
Materials	2.8%
Industrials	1.8%
Health Care	1.4%
Other Assets (net of liabilities)	4.5%

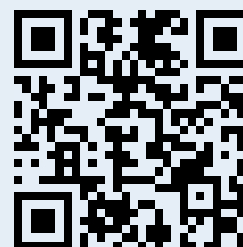
Geographic Weightings
 % of Total Net Assets

United States	87.7%
United Kingdom	3.7%
Netherlands	3.2%
China	0.9%

Householding

You may have consented to receive one shareholder report at your address if you and one or more individuals in your home have an account with the Fund (householding). If you wish to receive a copy of this document at a new address, contact 1-800-728-8762

QR Code



Additional Information

If you wish to view additional information about the Fund, including but not limited to the Fund's prospectus, financial statements, holdings, or proxy voting information, please visit www.saturna.com/forms#mutual-fund-library .

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