

# Amana Income Fund Commentary



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In the second quarter of 2025, Amana Income Fund Investor Shares returned 10.43% and the Institutional Shares returned 10.49%. The S&P 500 Index returned 10.94% over the same period.

Markets started south as President Donald Trump announced his tariff policy on “Liberation Day.” However, this quickly reversed, as the policy was rolled back and the can was kicked down the road to the beginning of the third quarter. Many countries around the world came to the negotiating table to try and settle an agreement. However, as of this writing, there are only a few that have been signed. It’s important to keep in mind that 95% of US trade comes from 18 countries, so it is still possible for additional postponement so the final details of any bilateral deal can be finished.

We continue to believe that it will take time for the global economy to re-orient itself to the new tariff reality. However, trust in the US is coming into question and creates a challenging environment for longer-term capital investment planning. This might explain, to an extent, the fact that US dollar has underperformed significantly.

Technology sector stocks led the Fund’s performance in the quarter, with Taiwan Semiconductor, Nintendo, and Broadcom powering the gains for the quarter.

The Fund’s biggest detractors, pharmaceutical company Abbvie and consumer health care products company Kenvue, were the result of a risk-on environment.

10 Largest Contributors	Return	Contribution
Taiwan Semiconductor ADR	36.92%	2.69
Microsoft	32.75%	2.68
Broadcom	65.02%	1.80
Rockwell Automation	29.11%	1.22
Nintendo	42.13%	1.16
Johnson Controls	32.32%	0.78
Ferguson Enterprises	36.42%	0.63
Eaton	31.79%	0.52
Texas Instrument	16.52%	0.37
Cisco Systems	13.23%	0.31

10 Largest Detractors	Return	Contribution
Eli Lilly	-5.43%	-0.74
Kenvue	-11.95%	-0.26
Kimberly Clarks	-8.50%	-0.21
McCormick	-7.32%	-0.20
Amgen	-9.60%	-0.18
Procter & Gamble	-5.92%	-0.14
AbbVie	-10.59%	-0.13
UPS Class B	-6.71%	-0.12
Johnson & Johnson	-7.11%	-0.11
Air Products and Chemicals	-3.78%	-0.08

Top 10 Holdings	Portfolio Weight
Eli Lilly	11.14%
Microsoft	9.64%
Taiwan Semiconductor ADS	9.04%
Rockwell Automation	4.83%
WW. Grainger	4.03%
Broadcom	4.01%
Illinois Tool Works	3.59%
Nintendo	3.48%
Linde	2.95%
Johnson Controls International	2.81%

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## Outlook

With heightened uncertainty about global trade relations and the potential impact on supply chains and investments, we believe dividends provide a source of “returns” that can be earned now, rather than hoped for in the longer-term future, and that the Amana Income Fund’s emphasis on companies with low debt, quality operations, and dividend income provides a prudent way for investors to ride out the uncertainty.

Average Annual Total Returns	Since Inception <sup>1</sup>	1 Year	3 Year	5 Year	10 Year	Expense Ratio <sup>2</sup>
Investor Shares (AMANX)	9.19%	9.45%	14.02%	12.88%	10.66%	1.01%
Institutional Shares (AMINX)	10.74%	9.72%	14.30%	13.14%	10.91%	0.76%
S&P 500 Index	11.00%	15.16%	19.71%	16.64%	13.65%	n/a

(as of June 30, 2025, Net of Fees)

**Performance data quoted herein represents past performance, which is no guarantee of future results.** 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. Current performance may be higher or lower than the performance data quoted herein. Performance current to the most recent month-end can be obtained by visiting [www.amanafunds.com](http://www.amanafunds.com) or calling toll-free 1-800-728-8762. The Amana Income Fund cannot guarantee that its investment objective will be met. Securities of the Fund are offered and sold only through the prospectus or summary prospectus. Please consider an investment's objectives, risks, charges, and expenses carefully before investing. For this and other important information about the Amana Income Fund, please obtain and carefully read a free prospectus or summary prospectus from your financial adviser, at [www.amanafunds.com](http://www.amanafunds.com), or by calling toll-free 1-800-728-8762.

<sup>1</sup> June 23, 1986.

<sup>2</sup> Expense ratio shown is as stated in the Fund's most recent Prospectus, dated September 27, 2024.

All data as of June 30, 2025, unless otherwise noted.

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.

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#### A Few Words About Risk

The value of the shares 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.

**Please consider an investment's objectives, risks, charges, and expenses carefully before investing. To obtain this and other important information about the Amana Funds in a current prospectus or summary prospectus, please visit [www.amanafunds.com](http://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.**



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