

Saturna Global High Income Fund Commentary



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The Saturna Global High Income Fund returned 4.85% in the second quarter of 2025. The Fund's equity benchmark, the Bloomberg Developed Markets Large & Mid Cap Index, returned 11.64%, while its blended benchmark, the Bloomberg 50:50 Global Equity and Fixed Income Index, returned 8.08%. The Fund's Morningstar Global Allocation category returned 2.12% during the quarter.

Factors Influencing Performance

Global equities experienced a rough start to the quarter with President Trump's "Liberation Day" tariff announcement, but while steep, the selloff was brief and markets were near all-time highs by the end of the quarter. The Fund's top contributor was Nintendo, with investors optimistic about the rollout of the Switch 2 gaming platform.

Longer-term bonds had negative returns as their prices fell, and yields rose with worries about further increases in the US budget deficit and debt issuance embedded in GOP plans for a permanent extension of the 2017 tax cuts.

Looking Ahead

With the 90-day pause of tariff rates due to end in the beginning of the third quarter, and further postponements possible given the paucity of bi-lateral agreements signed to date, uncertainty around supply chain planning and management – particularly with respect to holiday season stocking – is elevated. Nonetheless, equity markets' resilience against these headwinds in the second quarter was impressive and suggests a conviction in underlying business momentum.

10 Largest Contributors	Return	Contribution
Nintendo	42.13%	1.34
ORANGE ADR	21.60%	0.53
Skandinaviska Enskilda Banken Class A	13.70%	0.50
Virtu Financial Class A	18.20%	0.48
Southern Copper	10.16%	0.45
Cisco Systems	13.23%	0.37
Telenor Ord Shs	11.91%	0.31
SK Telecom ADR	11.61%	0.25
Novartis ADR	8.55%	0.22
ANZ Group ADR	7.78%	0.20

10 Largest Detractors	Return	Contribution
South32 ADR	-5.93%	-0.11
Shell ADR	-2.88%	-0.09
Verizon Communications	-3.10%	-0.08
UST 3.375 11/15/48	-1.39%	-0.04
BIMBO 4.875 06/27/44	-1.03%	-0.03
BHP Group ADR	-0.93%	-0.02
VA 5.950 10/01/66 '33	-1.19%	-0.01
NSC 5.100 08/01/18 '18	0.10%	-0.01
CSX 4.650 03/01/68 '67	0.21%	0.00
GSK ADS	0.25%	0.00

Top 10 Holdings	Portfolio Weight
Southern Copper	4.50%
Skandinaviska Enskilda, Class A	3.85%
Nintendo	3.19%
Cisco Systems	2.88%
Virtu Financial	2.67%
Telenor, ASA	2.67%
Novartis, ADS	2.60%
Shell	2.60%
ANZ Group Holdings, ADR	2.56%
Verizon Communications	2.54%

Average Annual Total Returns	Since Inception ¹	1 Year	3 Year	5 Year	10 Year	Expense Ratio ²	
						Gross	Net ³
Saturna Global High Income Fund (SGHIX)	4.97%	11.41%	9.10%	6.83%	5.38%	0.92%	0.75%
Bloomberg Developed Markets Large & Mid Cap Index	11.28%	16.75%	18.87%	14.98%	11.18%	n/a	
Bloomberg Global Equity/Fixed Income 50/50 Index	4.57%	12.92%	10.70%	6.83%	6.32%	n/a	
Bloomberg Global High Yield Corp Index	5.27%	11.87%	10.66%	5.43%	4.94%	n/a	
S&P Global 1200 Index	11.28%	16.41%	18.53%	14.95%	11.20%	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.saturna.com/funds or calling toll-free 1-800-728-8762. The Saturna Global High 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 Saturna Global High Income Fund, please obtain and carefully read a free prospectus or summary prospectus from your financial adviser, at www.saturna.com/funds, or by calling toll-free 1-800-728-8762.

¹ Saturna Global High Income Fund began operations March 30, 2012.

² Expense ratio shown is as stated in the Fund's most recent Prospectus, dated March 31, 2025.

³ The investment adviser has committed through March 31, 2026, to waive fees and/or reimburse expenses to the extent necessary to ensure that the Fund's net operating expenses, excluding taxes, commissions, and extraordinary expenses, do not exceed the net operating expense ratio of 0.75%. This expense limitation agreement may be changed or terminated only with approval of the Board of Trustees.

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

Bloomberg Developed Markets Large & Mid Cap Total Return Index is a float market-cap-weighted equity benchmark that covers the top 85% of market cap of the measured market.

Bloomberg Global EQ:FI 50:50 Index is designed to measure cross-asset market performance globally. The index rebalances monthly to 50% equities and 50% fixed income. The equities and fixed income are represented by Bloomberg Developed Markets Large & Mid Cap Total Return Index and the Bloomberg Global Aggregate Index respectively.

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. Investors cannot invest directly in the indices.

When available, Saturna uses total return components of indices mentioned. Investors cannot invest directly in the indices.

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A Few Words About Risk

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."

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



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