Fund Commentary

Q3 2020

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.

Environment & Outlook

Extending the unpredictability of 2020, markets charted an aggressive course through the third quarter. Following the abrupt sell-off in late February and early March, the S&P 500 Index quickly recovered in the second quarter and accelerated its ascent through the end of August, peaking on September 2 and providing a total return of 15.85% for the quarter through that date. Then, a 9.5% correction through September 23 ensued, returning to levels last seen in late July. A rebound into the final week of September pushed the index return to 8.93% for the quarter and 5.57% year-to-date. The European and Japanese markets reflected this pattern to a less dramatic extent.

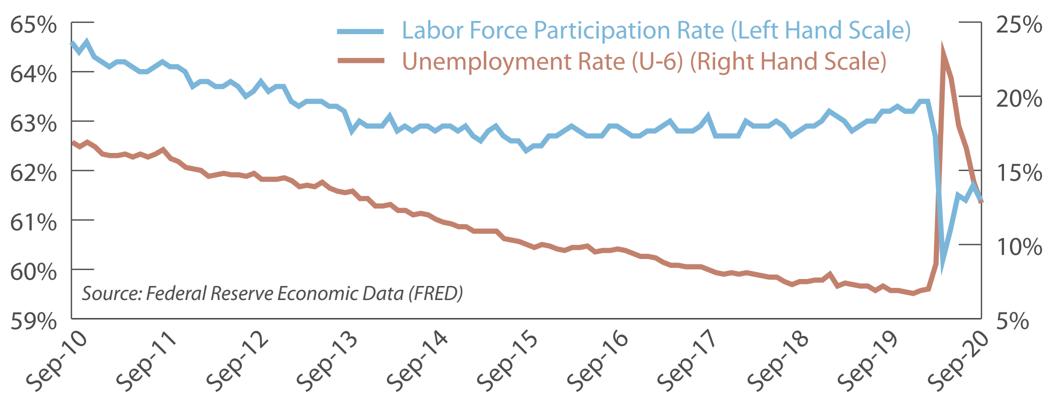
The unusual August melt-up may be attributed to a number of theories including retail options trading, a single large investor's positioning, and of course, unspecified Federal Reserve actions. The construction of the benchmark S&P 500 Index certainly contributed to the rise: at the peak, the five largest companies by market capitalization (Apple, Microsoft, Amazon, Facebook, and Alphabet) comprised more than 22% of the index. The price action of those five companies influence the benchmark performance as much as the bottom 363 companies combined.

Market action since late March indicates investors have looked past many of the factors that precipitated the poor first quarter performance, but the disturbing resilience of the coronavirus in the US, combined with its resurgence across Europe and Canada, prevents us from signaling the all-clear. That's especially true given the onset of cooler weather across the northern hemisphere and the announcement that the virus has spread throughout the Trump administration, including the president and the first lady. While wishing POTUS and FLOTUS, as well as other members of the government who have tested positive, speedy recoveries, the fourth quarter of 2020 has already continued the trend set in the first three, that is, uncomfortably unpredictable. Measures of expected volatility are forecast to remain elevated through December of this year – the biggest surprise to the market would be an uneventful election and a wind-down of COVID infections. That does not represent our base case, especially in light of President Trump's recent illness.

The fourth quarter has already proven to be uncomfortably unpredictable.

Currently, the state of the economy stands as our biggest concern. Federal Reserve Chairman Powell shares those concerns, stating, "At this early stage, I would argue that the risks of policy intervention are still asymmetric. Too little support would lead to a weak recovery, creating unnecessary hardship."[1] Democrats and Republicans have failed to agree on additional stimulus measures and, absent bringing the spread of COVID-19 under control, economic indicators have weakened, particularly in the realm of employment. While the unemployment rate dropped to 7.9%, a significant improvement from April's 14.7%, the figure was distorted by 700,000 people dropping out the labor force and pushing the September labor participation rate down to 61.4% from 61.7% in August and 63.4% last February. We must also recognize that many people are taking anything they can get in the current environment; a reality reflected by the Federal Reserve U-6 measure. U-6 takes the unemployment rate and adds those employed part time or only marginally attached to the labor force. The U-6 rate for September was 12.8%, lower than its peak this past spring. Looking to pre-COVID times, it's the highest reading since December 2013.

Labor Participation and Unemployment



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Stepping away from government statistics, developments toward the end of the third quarter indicate the growing trend of long-term unemployment. Disney announced the permanent lay-off of 28,000 employees[2] who had been previously furloughed due to continued park closures. American Airlines and United Airlines sent notices to 19,000 and 13,000 workers, respectively. As the virus continues to spread, restaurants, movie theaters, gyms, hotels, and numerous other businesses are at risk of permanent closure. While the job losses last April were jarring, they were largely thought at the time to be temporary. According to the Labor Department, 3.8 million people lost their jobs permanently in September, nearly twice the level of permanent losses in April.

With the arrival of autumn weather, COVID infections soaring in certain states, the economy weakening, and the US November elections approaching, any number of news reports could shock a correction that we would look to as an entry point. Depending upon the election outcome, expected tax policy changes could influence market action either up or down. Looking past the election, our base case is to remain positive on US equities as we believe the government will attempt to manage the economy with a combination of fiscal and monetary policies. We expect policy makers have a bias to stimulate and provide more than adequate liquidity. Perhaps we are not all Keynesians now, but we are Modern Monetary Theorists.

Amana Participation Fund Celebrates Five Years of Operations

The Amana Participation Fund began operations on September 28, 2015, and this quarter marked its 5-year anniversary. Assets of the Fund have grown 36% since September of last year, reaching more than $132 million as of September 30, 2020.

We express our heartfelt thanks to each of our investors for your continued support of the Fund.

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Amana Income Fund

After a turbulent first half of 2020, the third quarter brought about more gains in the US markets. More retail investors trading in the market, as well as the loose monetary policy enacted by central banks around the world, including the Federal Reserve, both lent a hand in seeing the markets rise. Further, Japanese conglomerate, SoftBank, took large positions in equity derivatives, underpinning a rally in the technology sector and earning them the moniker "Nasdaq whale." As the market digested the initial shocks of the pandemic and preliminary government interventions, the third quarter allowed for an opportunity to assess which effects were transitory, which were here to stay, and what the path back to normal will look like. One cornerstone that remains consistent in our approach is the value we place on well-managed, high-quality companies with limited leverage. Furthermore, the Fund is diversified and positioned to give investors current income and capital preservation. In contrast, the five largest companies by market capitalization (Apple, Microsoft, Amazon, Facebook, and Alphabet) comprised more than 22% of our benchmark index at its peak in August. The price action of those five companies influence the benchmark performance as much as the bottom 363 companies combined.

The combination of Islamic and ESG screening helped provide downside protection in the initial onset of the pandemic. On March 23, Investor shares bottomed at -29.60% year-to-date while the S&P 500 reached its low point that same day at -30.75%. Of course, protecting on the downside often goes hand-in-hand with underperformance on the upside, but long-term investors have seen the benefit of our approach. Thus, as volatility returned in September, our approach again provided support to the Fund's performance, and Investor shares have outperformed the benchmark by 200 basis points over the course of the month.

Year-to-date as of September 30, stocks from the Technology and Health Care sectors have generated the largest contributions to the Fund's return. In particular, Microsoft, Taiwan Semiconductor, Eli Lilly, and Abbott Laboratories have stood out this year. In the third quarter, Technology stocks continued their strong performance, but what's surprising is the improvements

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As of September 30, 2020

10 Largest Contributors	Return	Contribution
Taiwan Semiconductor ADS	43.55%	1.61
Canadian National Railway	20.71%	0.54
PPG Industries	15.65%	0.50
Air Products & Chemicals	23.91%	0.49
Abbott Laboratories	19.48%	0.47
Illinois Tool Works	11.15%	0.44
Honeywell International	14.49%	0.41
Pfizer	13.33%	0.39
McCormick & Co.	8.56%	0.36
Parker Hannifin	10.87%	0.34

10 Largest Detractors	Return	Contribution
Eli Lilly	-9.40%	-0.65
Intel	-12.87%	-0.53
AbbVie	-9.72%	-0.25
Cisco Systems	-14.88%	-0.08
Microchip Technology	-2.08%	-0.08
GlaxoSmithKline ADS	-6.62%	-0.07
Novartis ADS	-0.44%	-0.01
General Mills	0.83%	0.02
Otis Worldwide	10.13%	0.02
Procter & Gamble	16.97%	0.06

Top 10 Holdings	Portfolio Weight
Microsoft	6.31%
Eli Lilly	6.22%
Taiwan Semiconductor ADS	5.17%
Rockwell Automation	4.97%
McCormick & Co	4.37%
Illinois Tool Works	4.35%
Microchip Technology	3.89%
PPG Industries	3.66%
Intel	3.50%
Parker Hannifin	3.39%

30-Day Yield	
Investor Shares (AMANX):	0.70%
Institutional Shares (AMINX):	0.95%

Asset-weighted average debt to market cap: 17.4%

Amana Growth Fund

The Amana Growth Fund continued to outpace the S&P 500 Index in the third quarter, gaining 11.24% while the Index returned 8.93%. As a result, the year-to-date Fund appreciation of 17.77% stands over 1200 basis points ahead of the index return of 5.57%. Technology stocks remained the primary driver, although Industrials and Consumer stocks also contributed. While growth indices have far outpaced the S&P 500, we believe the broad index to be a more appropriate benchmark since Fund guidelines do not permit investment in many companies that have been driving growth index returns given their early stage development, short listing histories and, in many cases, absence of profitability.

Our third quarter Top Largest Contributors bear a striking resemblance to those from the second quarter. Eight of the stocks are making a return appearance, led by Apple and Adobe. Only Taiwan Semiconductor and Norfolk Southern are new to the list. While tech dominance is familiar to everyone, the fact that our non-tech companies continue to perform strongly provides confidence in our selections. We have often discussed the "roll-up" approach of Church & Dwight and its strong track record of making value-enhancing acquisitions. Equally, the management changeover at Lowe's and home renovation "stay-cations" were compelling themes we identified early on. Some may have been less than accepting of our contention last quarter that remote work did not represent an end to cosmetics, but investors in Estée Lauder are enthusiastic. Without making political predictions, Intuit will benefit from any changes made to the tax code under the next administration.

As was the case last quarter, only a minority of our "detractors" actually lost value during the quarter. Cisco and Eli Lilly, however, suffered considerable downdrafts on disappointing quarterly calls. Cisco dropped ~11% on August 13th, not so much because of its results but rather because of the lackluster guidance management provided. Why that should have come as a surprise in the current economic environment is a bit of a mystery, but the market clearly values growth, especially in tech, and Cisco wasn't going to provide enough. Subsequently, the stock has continued to drift lower, to the point that we now find it a compelling value. Eli Lilly dropped -5.4% on the day it released second quarter figures but, again, we found the results unsurprising in that the pandemic affected sales of a variety of its drugs prescribed and administered by physicians.

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As of September 30, 2020

10 Largest Contributors	Return	Contribution
Apple	27.22%	2.14
Taiwan Semiconductor ADS	43.55%	1.31
Qualcomm	29.70%	0.91
Adobe	12.66%	0.90
Church & Dwight	21.54%	0.87
Estée Lauder, Class A	15.92%	0.57
Intuit	10.32%	0.57
Lowe's	23.22%	0.53
Agilent Technologies	14.22%	0.48
Norfolk Southern	22.47%	0.42

10 Largest Detractors	Return	Contribution
Cisco Systems	-14.88%	-0.42
Eli Lilly	-9.40%	-0.23
Clorox	-3.73%	-0.06
Keysight Technologies	-1.98%	-0.05
Mastercard, Class A	-0.13%	0.00
EMCOR Group	2.50%	0.01
Bristol-Myers Squibb	3.31%	0.02
ASML Holding	0.34%	0.02
Gartner	2.98%	0.03
PepsiCo	5.56%	0.07

Top 10 Holdings	Portfolio Weight
Apple	9.39%
Adobe	7.89%
Intuit	5.91%
ASML Holding	4.58%
Church & Dwight	4.52%
Estée Lauder, Class A	4.03%
Taiwan Semiconductor ADS	3.99%
Qualcomm	3.79%
Agilent Technologies	3.65%
Amgen	3.63%

Asset-weighted average debt to market cap: 10.0%

Amana Developing World Fund

After a turbulent first half of 2020, the third quarter brought about relatively calmer times throughout much of the developing world. As the market digested the initial shocks of the pandemic and preliminary government interventions, the third quarter allowed for an opportunity to assess which effects were transitory, which were here to stay, and what the path back to normal will look like. Through all the uncertainties and economic and market volatility, one cornerstone that remains consistent in our approach is the value we place on well-managed, high-quality companies with limited leverage.

On March 23, Developing World Investor shares bottomed at -24.27% year-to-date while the MSCI Emerging Markets Index reached its low point that same day at -31.98%. As the year has worn on, this protection has supported the Fund's performance, and Investor shares have outperformed the benchmark by 444 basis points.

As of September 30, stocks from the Technology and Consumer Staples sectors have generated the largest contributions to the Fund's return. In particular, Silergy, Tencent, Techtronic, and Taiwan Semiconductor have stood out this year. Among the 10 Largest Contributors in the third quarter were Kansas City Southern and Kerry Logistics. Improvements in these industries provide an exciting sign of a broader economic recovery as supply chains open back up and bottlenecks begin to get sorted out. The privatization offer for Kansas City Southern and its subsequent rejection also is a good sign for economic turnaround in the long term. As the company sees a light at the end of the tunnel, it seems it would rather wait for an even higher market capitalization.

Despite the appearance of a broadening recovery, we remain tempered in our expectations and cautiously optimistic. As we enter the fourth quarter of 2020, the pandemic and associated government responses remain significant unknowns. With the development of a vaccine still on the horizon and the understanding that deploying this vaccine worldwide is no small feat, we continue to monitor the implications of a prolonged pandemic on economies around the developing world.

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As of September 30, 2020

10 Largest Contributors	Return	Contribution
Taiwan Semiconductor ADS	43.55%	1.46
Techtronic Industries	34.77%	1.31
Kansas City Southern	21.39%	0.57
Kerry Logistics Network	36.66%	0.54
Advantech	12.91%	0.40
Tencent Holdings ADR	5.70%	0.39
Samsung Electronics	13.30%	0.39
VF	16.09%	0.32
Unilever ADS	13.26%	0.30
Clicks Group	10.10%	0.28

10 Largest Detractors	Return	Contribution
Silergy	-9.11%	-0.67
Bangkok Dusit Medical Services	-15.75%	-0.38
Telekomunik Indonesia	-16.70%	-0.28
Micron Technology	-8.85%	-0.22
Hong Kong & China Gas	-6.51%	-0.14
Advanced Info Service	-8.12%	-0.13
Sunny Friend Environmental Technology	-6.14%	-0.13
M. Dias Branco	-18.07%	-0.11
SM Prime Holdings	-5.15%	-0.10
ASM Pacific Technology	-2.36%	-0.05

Top 10 Holdings	Portfolio Weight
Silergy	6.64%
Tencent Holdings ADR	6.59%
Techtronic Industries	5.03%
Taiwan Semiconductor ADS	4.60%
Advantech	3.22%
Samsung Electronics	3.20%
Kansas City Southern Industries	3.18%
Baidu ADS	3.08%
LG Household & Health Care Ltd	3.00%
Clicks Group	2.80%

Asset-weighted average debt to market cap: 11.5%

Amana Participation Fund

The end of the third quarter of 2020 marks an important and significant milestone as it represents the Amana Participation Fund's five-year anniversary. We are also extremely pleased to share that the Fund has surpassed the $130 million mark in assets under management (AUM) – a momentous accomplishment since the Fund began with a little over $5.0 million AUM back in September of 2015. As of the third quarter of 2020, the Amana Participation Fund reported AUM in excess of $132.3 million, up from $97.4 million last year, representing a 35.8% year-over-year increase. This accomplishment reflects a concerted team commitment to serve the community in providing an important asset allocation feature of capital preservation and current income that adheres to Islamic principles. We want to sincerely thank our investors as we build on our success to serve you in attaining your personal investment objectives.

To say that 2020 has offered challenges just seems to grossly understate the enormous and dramatic shift that has taken place over the year. The onset of the coronavirus pandemic, oil prices falling into negative territory, and the massive policy actions by governments and global central banks to help offset the negative social and economic impacts are just the tip of the proverbial iceberg. The year is not done yet; we still face considerable uncertainties with an upcoming US presidential election and economic ambiguity. All the while we look to find ways to normalize our lives in a post-pandemic world. As Yogi Berra quipped, "It's tough to make predictions, especially about the future." While we find Berra's quote to adeptly capture our current state of affairs, we can share that one thing hasn't changed: our intention to serve our investors.

For the third quarter of 2020, the Amana Participation Fund Institutional Shares returned 2.13% and Amana Participation Fund Investor Shares returned 2.07%. Comparatively, the FTSE Sukuk benchmark returned 2.89% for the same period. As measured year-to-date, the Amana Participation Fund Institutional Shares and

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As of September 30, 2020

Top 10 Holdings	Portfolio Weight
Perusahaan Penerbit SBSN *(4.55% 03/29/2026)*	4.93%
Perusahaan Penerbit SBSN *(4.45% 02/20/2029)*	4.84%
TNB Global Ventures Cap	4.73%
EIB Sukuk	4.64%
SOQ Sukuk A	4.53%
ICD Sukuk	4.40%
Almarai Sukuk	4.24%
Equate Sukuk Spc	4.01%
Tabreed Sukuk SPC LTD	3.81%
KSA Sukuk	3.76%

30-Day Yield	
Investor Shares (AMAPX):	1.10%
Institutional Shares (AMIPX):	1.35%

Credit Profile	
AAA	2.85%
AA	4.53%
A	15.27%
BBB	43.10%
BB	2.35%
Not rated	22.16%
Cash and equivalents	9.74%

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.

Performance Summary

As of September 30, 2020

Average Annual Total Returns *(Before Taxes)*	YTD	1 Year	3 Year	5 Year	10 Year	15 Year	Expense Ratio
Income Fund Investor Shares (AMANX)	3.21%	13.10%	9.45%	11.62%	10.57%	8.88%	1.06%
Income Fund Institutional Shares (AMINX)	3.36%	13.32%	9.69%	11.88%	n/a	n/a	0.83%
S&P 500 Index	5.57%	15.15%	12.26%	14.13%	13.73%	9.19%	n/a
Growth Fund Investor Shares (AMAGX)	17.77%	27.86%	19.73%	18.58%	13.96%	11.26%	1.02%
Growth Fund Institutional Shares (AMIGX)	17.97%	28.18%	20.01%	18.87%	n/a	n/a	0.79%
S&P 500 Index	5.57%	15.15%	12.26%	14.13%	13.73%	9.19%	n/a
Developing World Fund Investor Shares (AMDWX)	1.51%	9.61%	1.75%	4.85%	0.34%	n/a	1.34%
Developing World Fund Institutional Shares (AMIDX)	1.69%	9.66%	1.91%	5.02%	n/a	n/a	1.21%
MSCI Emerging Markets Index	-1.16%	10.54%	2.41%	8.96%	2.50%	5.81%	n/a
Participation Fund Investor Shares (AMAPX)	3.86%	3.89%	3.37%	2.88%	n/a	n/a	0.88%
Participation Fund Institutional Shares (AMIPX)	4.04%	4.23%	3.61%	3.12%	n/a	n/a	0.63%
FTSE Sukuk Index	6.37%	7.11%	5.69%	5.09%	n/a	n/a	n/a

Expense ratios shown are as stated in the Funds' most recent Prospectus dated September 25, 2020.

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 September 30, 2020

Morningstar Ratings™ [A]	Overall	1 Year	3 Year	5 Year	10 Year
Amana Income Fund – "Large Blend" Category					
Investor Shares (AMANX)	★★★	n/a	★★★	★★★	★★
% Rank in Category	n/a	45	59	61	84
Institutional Shares (AMINX)	★★★	n/a	★★★	★★★	☆☆
% Rank in Category	n/a	44	56	57	81
Number of Funds in Category	1,229	1,370	1,229	1,066	819
Amana Growth Fund – "Large Growth" Category					
Investor Shares (AMAGX)	★★★★	n/a	★★★★	★★★★	★★★
% Rank in Category	n/a	59	40	36	68
Institutional Shares (AMIGX)	★★★★	n/a	★★★★	★★★★	☆☆☆
% Rank in Category	n/a	59	38	33	65
Number of Funds in Category	1,229	1,328	1,229	1,095	813
Amana Developing World Fund – "Diversified Emerging Markets" Category					
Investor Shares (AMDWX)	★★★	n/a	★★★★	★★	★★★
% Rank in Category	n/a	49	49	85	90
Institutional Shares (AMIDX)	★★★	n/a	★★★★	★★★	☆☆☆
% Rank in Category	n/a	48	47	84	88
Number of Funds in Category	695	790	695	590	264
Amana Participation Fund – "Emerging Markets Bond" Category					
Investor Shares (AMAPX)	★★★	n/a	★★★★★	★★	n/a
% Rank in Category	n/a	13	21	100	n/a
Institutional Shares (AMIPX)	★★★	n/a	★★★★★	★★	n/a
% Rank in Category	n/a	11	17	97	n/a
Number of Funds in Category	239	276	239	187	n/a

[A] Morningstar Ratings™ ("Star Ratings") are as of September 30, 2020. 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 Amana Mutual Funds offer two share classes – Investor Shares and Institutional Shares, each of which has different expense structures.

Amana Income Fund

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seen in transportation and industrials companies.

Among the Top 10 contributors in the third quarter were Canadian National Railway, PPG Industries, and Air Products & Chemicals. In part, these industries were catching up to technology's lead, but improvements in these industries provide an exciting sign of a broader economic recovery; demand is driving improvements in industrial output and supply chains have begun reopening.

Amana Growth Fund

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Like Cisco, Lilly's share price continued to fade through the remainder of the quarter. That may be partially the result of Lilly not participating in the race for a vaccine, although it is working on potential treatments. Pharma as a whole has trailed the overall market since the start of the third quarter. Arguably, that may be a typical seasonal anomaly as presidential candidates vie to outdo each other in promises to reduce health care costs for Americans.

As might be expected, given the comments above, Cisco, the worst performer during the quarter, dropped out of the Top 10 list and was replaced by Taiwan Semiconductor.

Amana Developing World Fund

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Winston Churchill is often quoted, "Never let a good crisis go to waste." The current pandemic is above all a human tragedy, but it also provides an opportunity to understand and weigh temporary mispricings versus structural changes.

Amana Participation Fund

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Investor Shares returned 4.04% and 3.86%, respectively. For the same period, the FTSE Sukuk benchmark returned 6.37%. The Funds' respectable performance can be attributed to our investment process that emphasizes the ownership of high-quality issuers led by management teams who exercise prudence and demonstrate sound, long-term financial practices.

As of September 30, 2020, the Amana Participation Fund Institutional Shares provided a 30-day yield of 1.35% while the Fund's Investor Shares provided a 30-day yield of 1.10%. The Amana Participation Fund reported an effective duration of 4.43 years. The Fund is diversified among 30 US-dollar denominated issues.

During the third quarter, the top two performing issues were Majid Al Futtaim, a large supermarket franchise with operations in 16 countries, and Indonesia sovereign *sukuk* posting returns of 5.33% and 4.89%, respectively. For the same ending period, the two worst performing issuers were the Dubai-based mall operator EMG Sukuk and Qatar Islamic Bank posting returns of -1.40% and 0.44%, respectively. It should be noted that EMG Sukuk was sold in June of 2020.

While our outlook for the *sukuk* market remains constructive, we remain defensive as a means of exercising prudence and conservatism. We have taken added measures to reduce volatility by limiting exposures to procyclical sectors that may be expected to experience greater financial strain during this economic downturn. Some of these industries include real estate development operating companies, luxury industries, and tourism. These periods of financial stress call for a greater emphasis on countercyclical industries that can help protect investors through allocations to industries better positioned to weather the storm, including utilities, telecommunications, and consumer staples such as the food industry. In addition to these measures we have also increased our cash allocation at the end of the third quarter to 8.9%, up from 6.8% at the end of Q2. This helps insulate the portfolio from unexpected fluctuations as well as provide us flexibility to acquire issuers at more appealing valuations.

About The Authors

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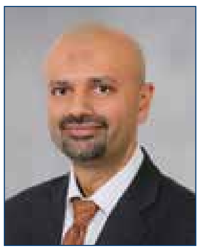
Scott Klimo, Chief Investment Officer and Portfolio Manager, joined Saturna Capital in May 2012. He received his BA in Asian Studies from Hamilton College in Clinton, NY and also attended the Chinese University of Hong Kong and the Mandarin Training Center in Taipei, Taiwan. Mr. Klimo has over 30 years 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.



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Monem Salam is Executive Vice President and a Director of Saturna Capital. He received his degrees from the University of Texas: BA (Austin) and MBA (Dallas). He worked as the Chief Investment Officer for ITG & Associates (Dallas) until 1999; then as a representative with Morgan Stanley (suburban Dallas) until joining Saturna Capital in June 2003. He served as the Director of Islamic Investing and a Deputy Portfolio Manager to the Amana Mutual Funds Trust until moving to Kuala Lumpur in 2012 to oversee Saturna Sdn. Bhd. In 2018, he returned to the United States. He is Portfolio Manager of the Amana Income and Developing World Funds, as well as investment management accounts, and a Deputy Portfolio Manager of Amana Growth Fund. Monem is Adjunct Professor at IE Business School and speaks at Islamic finance/investment conferences worldwide. He is co-author of A Muslim's Guide to Investing and Personal Finance. Monem has authored chapters on Islamic Investing in both Contemporary Islamic Finance and Islamic Capital Markets, and he contributes articles to leading Islamic financial magazines. As a mark of recognition of his achievements in the Islamic economy, Monem was ranked among 500 of the Islamic world's most prominent and influential leaders by ISLAMICA 500 in 2015.

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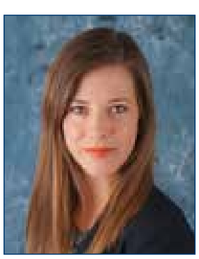
Patrick T. Drum, Research Analyst and Portfolio Manager, joined Saturna Capital in October 2014. He is a former select member of the United Nations Principles for Responsible Investment (UNPRI) Fixed Income Outreach Subcommittee and a former adjunct professor of finance at Pinchot University, formerly known as Bainbridge Graduate Institute (BGI). Mr. Drum has over 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.



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Elizabeth Alm CFA, Senior 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.

Footnotes to commentary:

[1] Timiraos, Nick. Fed's Powell Says U.S. Faces 'Tragic' Risks From Doing Too Little To Support Economy. Wall Street Journal, October 6 2020. https://www.wsj.com/articles/feds-powell-says-u-s-faces-tragic-risks-from-doing-too-little-to-support-economy-11601995201

[2] Casselman, Ben, Gillian Friedman and Jeanna Smialek. Workers Face Permanent Job Losses as the Virus Persists. The New York Times, October 3 2020. https://www.nytimes.com/2020/10/03/business/economy/coronavirus-permanent-job-losses.html

[3] Majid Al Futtaim, Investor Presentation. August 2020 page 23. https://www.majidalfuttaim.com/en/investor-relations

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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**, **modified duration,** and **effective 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.