Fund Commentary

Q3 2021

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 the 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.

Markets across the globe were muted in the third quarter, with the S&P 500 posting a modest 0.58% return and the MSCI ACWI Index falling -0.95%. Emerging markets presented a dark spot, with the MSCI Emerging Markets Index falling -8.09% during the quarter.

Over the past five years, the S&P 500 Index produced positive quarterly returns for 17 out of 20 quarters. Remarkably, the S&P's positive-return trend continued during the COVID-19 pandemic. Since the beginning of March 2020, the Index produced positive monthly returns 14 out of 19 times despite (or because of?) harrowing circumstances.

September 2021 produced one of those few negative-return months as market volatility reasserted itself in the capital markets almost in lockstep with the seasonal onset of autumn. Following the September meeting of the Federal Open Market Committee (FOMC), the capital markets' views on deflation, inflation, or reflation and global GDP trends once again shifted, this time from a deflationary to an inflationary outlook. Nominal interest rates rose, the US Dollar Index rallied, commodities — excluding energy — declined, and equities began to falter, notably in the Technology sector, which benefits from a deflationary outlook. This sorting is likely to continue, shifting back and forth as the effects of the pandemic and policymaker response become apparent.

Global central banks are signaling an end to the unprecedented highly accommodative monetary policies. The recent FOMC hawkish tone, with US legislature gridlocked over fiscal spending, points to a tightening of conditions sometime soon, which is typically negative for the capital markets. The rise in US 10-year Treasury yields from 1.310% on August 31 to 1.535% on September 30 is a byproduct of this market volatility. While an increase of 20 basis points may not seem like a large movement when measured on a nominal basis, it does represent a 21% increase in interest rates. During periods of monetary policy shifts, market volatility often reasserts itself among the capital markets.

Exiting the third quarter, the unwinding of the deflation trade and back-up in rates paused the ongoing equity rally led by Technology growth stocks. Combined with elevated valuations, US equities demonstrated vulnerability to another growth/value rotation, or perhaps a correction. September marked a quick reversal of the growth/value trend, with growth trailing. Despite unprecedented expansion of the Federal Reserve's balance sheet and money supply, the US dollar Index remained range-bound, year-to-date.

For now, the inflation theme appears ascendant as supply shocks and deglobalization concerns impact price levels, offsetting some leading indicators of slower global growth. Energy markets, led by natural gas, strengthened as supply constraints met the seasonal demand increase in the northern hemisphere. At this point, the knock-on effects are unclear; however, it reasonable to anticipate that these high energy prices will hamper future economic activity and slow the global recovery. The rise in energy prices is also likely to increase inflationary pressures, which, in turn, is likely to lead market participants to anticipate higher interest rates – at least over the near-term.

US consumer sentiment slackened during the quarter to its lowest point in seven months, but still retained a positive bias. While wages were mixed, hourly compensation for US non-farm businesses and job openings both set a record in the second quarter 2021. Policymakers' plan for the reduction in stimulus benefits combined with higher wages are expected to lift employment over the upcoming quarters. Yet the Citibank Economic Surprise Index trended negative, suggesting that economic forecasters are behind in assessing a slower-than-expected economy.

The global Purchasing Managers' Index (PMI) remained positive over the quarter but trended down, with the US remaining the strongest market. Notably, China reported a neutral outlook which will likely decline into the fourth quarter with recent electrical system interruption and Communist party policy decisions to restrain some economic sectors. China's intent to reorder its economy to promote "common prosperity" presents a risk to future global GDP growth that may yet be incorporated into forecaster and investor views. In addition, the slow-moving default of the real estate development company, the Evergrande Group, may signal at least two changes in the China outlook: a policy shift from protecting too-big-to-fail companies and changing from an infrastructure-led to a consumer-led economy. These events may signal slower growth rates in China as well as growth rates of global GDP in the future.

Eventually, the US economy needs to perform ex-stimulus by demonstrating consecutive improving GDP reports and employment trends. Absent some external shock, into the first half of 2022, we expect the markets to sort out these trends and come to grips with a reflation, inflation, or deflation medium-term outlook. Until that point, equity markets will likely remain on-trend while discounting re/inflation vs. deflation and rotating between growth and value. A fall back to a deflationary outlook with economic prices reset higher will restart the trends witnessed in the second half of 2020. This may occur if the economic impact of fiscal stimulus proves disappointing.

"Flation" Station:
Airing out inflation jargon

Inflation – A decrease in the purchasing power of money, often observed in rising prices of goods and services.

Deflation – A general reduction in the prices of goods and services; sometimes caused by an increase in productivity or a decrease in demand.

Reflation – A monetary policy intended to expand output and stimulate spending. Examples include: tax cuts, lowering interest rates, and increasing the money supply.

Disinflation – A temporary slowing in the rate of inflation and considered the opposite of reflation.

Stagflation – A slowdown in economic growth during a period of rising inflation; sometimes called "recession-inflation."

Amana Income Fund

For the third quarter of 2021, the Amana Income Fund Investor Shares returned -2.54% and the Institutional Shares returned -2.50%. The benchmark S&P 500 Index returned 0.58% for the same period. Year-to-date returns for the Investor Shares and Institutional Shares were 7.69% and 7.85%, respectively, while the Index returned 15.92%.

A resurgence of COVID-19 infections weighed on the global economic recovery during the quarter. Supply chain and logistics backups resulted in shortages and price spikes, particularly in the automobile and semiconductor industries, threatening both sales growth and profit margins. As the third quarter ended, equity markets had fallen from recent highs and investors turned their attention to:

1. A pessimistic outlook from corporate earnings reports as the backups in throughput threatened to weigh on both sales growth and profit margins;
2. The increasing concern that inflation is not temporary due to post-pandemic resurgence in economic activity, but rather a more sustained increase over the next few years; and
3. Worries that China's highly indebted property sector could be facing a similar situation to what the US faced in 2008. This was sparked by the country's second largest property developer, China Evergrande, announcing a delay in an interest payment of its bonds.

Despite the concerns listed above, the economy seemed to remain resilient, leading the Federal Reserve to forecast an unwinding of monetary stimulus. Interest rates nudged higher, driven in part by perennial haggling in Congress over raising the debt ceiling, and the renewed threat (albeit remote) that the US could default on debt payments if legislators and policymakers can't work out a solution.

The Fund's strongest performer during the quarter was pharmaceutical manufacturer Pfizer. The company submitted trial data to the FDA for use of its COVID-19 vaccine for younger children, and it is widely expected that the FDA will approve it. Health authorities also began recommending booster shots of the Pfizer vaccine for select populations, further increasing demand for vaccinations.

Continued on page 12

As of September 30, 2021

10 Largest Contributors	Return	Contribution
Pfizer	10.83%	0.31
Microsoft	4.27%	0.28
Canadian National Railway	10.03%	0.25
Rockwell Automation	3.15%	0.16
Carlisle	4.14%	0.12
Eli Lilly	0.99%	0.10
PepsiCo	2.21%	0.07
Cisco Systems	3.41%	0.06
Abbott Laboratories	2.29%	0.05
Linde	1.82%	0.04

10 Largest Detractors	Return	Contribution
PPG Industries	-15.46%	-0.63
Taiwan Semiconductor ADS	-6.70%	-0.44
Illinois Tool Works	-7.04%	-0.30
3M	-11.01%	-0.28
McCormick & Co	-7.90%	-0.27
Bristol-Myers Squibb	-10.06%	-0.27
W.W. Grainger	-9.93%	-0.22
Air Products & Chemicals	-10.45%	-0.21
Intel	-4.48%	-0.15
Colgate-Palmolive	-6.59%	-0.14

Top 10 Holdings	Portfolio Weight
Eli Lilly	8.57%
Microsoft	7.47%
Taiwan Semiconductor ADS	6.10%
Rockwell Automation	5.84%
Illinois Tool Works	4.11%
Honeywell International	3.66%
PPG Industries	3.59%
Pfizer	3.28%
McCormick & Co	3.22%
Carlisle	3.21%

30-Day Yield	
Investor Shares (AMANX):	0.89%
Institutional Shares (AMINX):	1.17%

Asset-weighted average debt to market cap: 13.9%

Amana Growth Fund

For the third quarter of 2021, Amana Growth Fund Investor Shares returned 0.95%, ahead of the 0.58% return of the S&P 500 Index, as well as the NASDAQ Composite return of -0.22%. Year-to-date the Investor Shares have gained 14.96%, trailing the 15.92% return of the S&P 500 Index but leading the NASDAQ's 12.67% rise. While returns were positive and ahead of benchmarks, the quarter demonstrated a Jekyll and Hyde-like split personality in terms of index and sector performance. Solid mid-single digit returns through July and August reversed in September as the S&P 500 Index shed -4.65%. That did not come as a complete surprise, since September holds the top spot as the worst month for stock market returns.[1] More interesting was the previously moribund Energy sector roaring to life. The Finance sector, especially regional banks, also rebounded after treading water through much of the quarter. The reanimation of Finance largely relied on higher rates as the yield on the 10-year Treasury bottomed at 1.17% in August and finished the quarter at 1.49%. At the same time, higher rates punctured the short-term attractiveness of much of the Technology sector.

For the second consecutive quarter Intuit was the top contributor to Fund returns, joining ASML, Novo-Nordisk, Gartner, Apple, and Agilent in making a repeat appearance. Except for Apple, each of those companies also appears among top year-to-date contributors. The top contributors list provides the impression that Technology continued its strong run, but each of the aforementioned companies experienced mid-single to low double-digit share price declines in September. Whether we are experiencing a major shift in market focus or another late-year hiccup remains to be seen. Gartner has had a tremendous year, appreciating just shy of 90% through the first three quarters. Gartner provides IT research and advisory services, and the resumption of business activity has been a boon to its business. While the Delta variant continues to affect in-person events, investors are looking ahead to a resumption of its conference business as well. Alphabet was a new addition to the Fund this year, as we believed it important to have exposure to the top online media and advertising company in the world. Some have raised concerns surrounding Alphabet's exposure to political interference, but we take comfort from the belief that were the company to be broken up, it would quite likely be worth even more than as a single entity.

Continued on page 12

As of September 30, 2021

10 Largest Contributors	Return	Contribution
Intuit	10.19%	0.67
ASML Holding	7.86%	0.48
Novo Nordisk ADS	15.22%	0.39
Gartner	25.47%	0.33
Apple	3.47%	0.30
Agilent Technologies	6.71%	0.26
Oracle	12.34%	0.19
Keysight Technologies	6.40%	0.14
Lowe's	5.01%	0.11
Alphabet, Class A	9.49%	0.09

10 Largest Detractors	Return	Contribution
Qualcomm	-9.34%	-0.31
Amgen	-12.09%	-0.30
Taiwan Semiconductor ADS	-6.70%	-0.30
Estee Lauder, Class A	-5.56%	-0.24
Union Pacific	-10.44%	-0.20
Newmont	-13.51%	-0.19
Norfolk Southern	-9.47%	-0.18
Adobe	-1.69%	-0.10
Church & Dwight	-2.82%	-0.08
Clorox	-7.36%	-0.07

Top 10 Holdings	Portfolio Weight
Apple	8.76%
Intuit	7.46%
Adobe	7.07%
ASML Holding	7.05%
Agilent Technologies	4.35%
Estee Lauder, Class A	4.22%
Taiwan Semiconductor ADS	4.19%
Trimble	3.79%
Qualcomm	3.17%
Church & Dwight	3.04%

Asset-weighted average debt to market cap: 7.9%

Amana Developing World Fund

While developed markets were mostly flat across the third quarter, as seen in the S&P 500's 0.58% total return during the period, developing markets sold-off with the MSCI Emerging Markets Index dropping -8.09%. The driving force behind this weakness was concern over increased regulatory crackdowns on business by the Chinese Communist Party (CCP). Towards the tail-end of the quarter, a looming debt default of the second largest property developer in China, Evergrande, also affected markets on a global level. This played in the Fund's favor as it had reduced its already-low exposure to Chinese firms to 8.31%, while in comparison the Index had a 33.44% weight and the Fund's Morningstar category averaged 30.62%. The Fund does gain exposure to China through its Hong Kong listings, where it has an 5.86% weight versus 0.41% for the Index and 2.03% for its Morningstar category. As a result, the Investor shares returned -3.92% during the quarter, outperforming the benchmark by 417 basis points and the Morningstar category by 287 basis points.

The third quarter of 2021 was by no means the first instance where the Chinese government intervened in markets, but it did mark a sea change in President Xi's relations with big business. What stood out about the crackdowns were the depth of punishment and breadth of industries covered. Joining Tech in the CCP's crosshairs were education, gaming, gambling, luxury products, and housing, to name a few. The rapid rollout of myriad unforeseen restrictions caused many to ask, is China investible? An equally valid rebuttal: is investing in China even avoidable? To the former we have answered, with our lowered exposure, with a resounding "no." As for the latter question, as the world's second largest economy and second fastest growing trillion-dollar economy, exposure to China through suppliers or sales in established, well-regulated, and calmer economies is a much more prudent strategy.

Given the upheaval riling Chinese firms, it's not surprising that two of the four largest detractors from the Developing World Fund were Chinese internet stocks. Tencent and Baidu are listed in Hong Kong – both are positions the Fund has exited. Also in the bottom four detractors were TPI Composites, a renewable energy company with significant manufacturing capacity in China, and LG Household & Health Care, a luxury cosmetics firm that derives 16.46% of its sales and much of its growth from China. Among

Continued on page 12

As of September 30, 2021

10 Largest Contributors	Return	Contribution
Silergy	8.84%	0.62
Monolithic Power Systems	29.95%	0.60
Wilcon Depot	30.63%	0.52
Techtronic Industries	14.67%	0.49
IHH Healthcare	21.33%	0.38
Telekomunikasi Indonesia ADS	17.21%	0.33
Unicharm	10.13%	0.20
Advantech	8.21%	0.18
KPJ Healthcare	14.03%	0.17
Clicks Group	7.25%	0.14

10 Largest Detractors	Return	Contribution
Tencent Holdings ADR	-23.36%	-0.87
TPI Composites	-30.30%	-0.69
LG Household & Health Care	-27.82%	-0.63
Baidu ADS	-19.44%	-0.50
Fleury	-20.99%	-0.46
VF	-17.79%	-0.40
ASM Pacific Technology	-17.24%	-0.38
Delta Electronics	-15.12%	-0.35
Samsung Electronics	-12.65%	-0.31
Micron Technology	-12.86%	-0.29

Top 10 Holdings	Portfolio Weight
Silergy	8.31%
Techtronic Industries	3.82%
Taiwan Semiconductor ADS	3.23%
Monolithic Power Systems	2.61%
Kansas City Southern Industries	2.43%
Telekomunikasi Indonesia ADS	2.35%
Advantech	2.30%
Clicks Group	2.29%
Unicharm	2.26%
Unilever ADS	2.24%

Asset-weighted average debt to market cap: 11.9%

Amana Participation Fund

Amana Participation Fund reached two significant milestones during the third quarter of 2021. On September 28, the Fund celebrated its six-year anniversary since its inception. The Fund also surpassed $200 million in assets under management (AUM), reflecting a $50 million increase in AUM since the first quarter of 2021. 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.

As of September 30, 2021

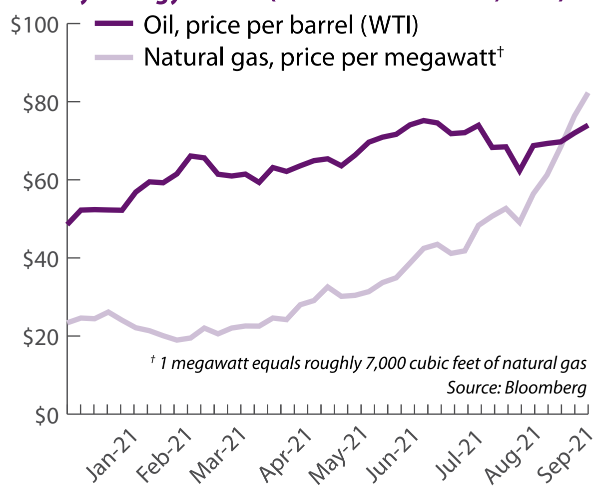
Top 10 Holdings	Portfolio Weight
ICD Sukuk	5.06%
Equate Sukuk	4.71%
Almarai Sukuk	4.49%
TNB Global Ventures Cap	4.19%
DIFC Sukuk	4.14%
Saudi Telecom Sukuk	3.99%
Tabreed Sukuk	3.95%
KSA Sukuk	3.93%
Oman Sovereign Sukuk	3.76%
DIB Sukuk	3.57%

30-Day Yield	
Investor Shares (AMAPX):	0.66%
Institutional Shares (AMIPX):	0.91%

Credit Profile	
AAA	2.33%
AA	3.26%
A	18.18%
BBB	43.72%
BB	6.11%
Not rated	21.56%
Cash and equivalents	4.82%

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.

Weekly Energy Prices (Oil vs. Natural Gas, USD)



As we close out the third quarter of 2021, we find that market volatility has reasserted itself in the capital markets almost in lockstep with the seasonal onset of fall. The increase of this market volatility can be primarily attributed to the Federal Reserve's monetary policy as it relates to accommodative polices such as quantitative easing (QE) and its low-interest policy. Market participants have anticipated an upcoming change in the Fed's QE policy, in which the Fed acquires $120 billion a month in mortgages and US Treasury securities. These accommodative policies were enacted to stabilize the financial markets in response to the markets selling off at the onset of the pandemic. The Fed appears to be foreshadowing a $15 billion per month reduction in its QE program, with plans to wind it down entirely by mid-2022.[2] The uncertainty of the specifics of the Fed's QE wind-down in conjunction with the legislative wrangling of the Biden administration's infrastructure program has fueled market volatility. The rise in US 10-year Treasury yields from 1.310% on August 31 to 1.535% on September 30 is a byproduct of this market volatility. While an increase of 20 basis points may not seem like a large movement when measured on a nominal basis, it does represent a 21% increase in interest rates. During periods of changes in monetary policy, it is common to see market volatility reassert among the markets.

There are other coinciding factors that appear to be contributing to the rise in market volatility to include rising energy prices, the potential default of China's real estate developer, Evergrande, and the growing number of lockdowns and related restrictions regarding COVID-19. Most notable is the change in the price

Continued on page 13

Performance Summary

As of September 30, 2021

Average Annual Total Returns *(Before Taxes)*	**YTD**	**1 Year**	**3 Year**	**5 Year**	**10 Year**	**15 Year**	**Expense Ratio**[A]
Income Fund Investor Shares (AMANX)	7.69%	18.88%	11.78%	12.10%	12.51%	9.52%	1.04%
Income Fund Institutional Shares (AMINX)	7.85%	19.11%	12.02%	12.34%	n/a	n/a	0.80%
S&P 500 Index	15.92%	30.00%	15.95%	16.89%	16.62%	10.36%	n/a
Growth Fund Investor Shares (AMAGX)	14.96%	29.69%	21.23%	21.79%	17.26%	12.24%	0.95%[B]
Growth Fund Institutional Shares (AMIGX)	15.16%	30.02%	21.52%	22.08%	n/a	n/a	0.70%[B]
S&P 500 Index	15.92%	30.00%	15.95%	16.89%	16.62%	10.36%	n/a
Developing World Fund Investor Shares (AMDWX)	2.64%	22.61%	11.72%	6.53%	3.44%	n/a	1.20%
Developing World Fund Institutional Shares (AMIDX)	2.78%	22.90%	11.94%	6.71%	n/a	n/a	0.97%
MSCI Emerging Markets Index	-1.25%	18.20%	8.56%	9.23%	6.08%	5.67%	n/a
Participation Fund Investor Shares (AMAPX)	0.75%	2.19%	4.31%	2.68%	n/a	n/a	0.82%
Participation Fund Institutional Shares (AMIPX)	0.83%	2.34%	4.52%	2.90%	n/a	n/a	0.58%
FTSE Sukuk Index	0.94%	3.23%	6.96%	4.58%	n/a	n/a	n/a

[A] *Expense ratios shown are as stated in the Funds' most recent Prospectus dated September 24, 2021.*

[B] *Restated to reflect a reduction in the Advisory and Administrative Services fee, which became effective on December 1, 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 US Dollar Index (DXY) indicates the general international value of the US dollar by averaging exchange rates between the US dollar and major world currencies. The NASDAQ Composite Index measures the performance of more than 5,000 US and non-US companies traded "over the counter" through NASDAQ. 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, 2021

Morningstar™ Ratings[A]	1 Year	3 Year	5 Year	10 Year	15 Year	Overall
Amana Income Fund – "Large Blend" Category						
Investor Shares (AMANX)	n/a	★★	★★	★	n/a	★★
% Rank in Category	96	86	93	93	58	n/a
Institutional Shares (AMINX)	n/a	★★	★★	☆☆	n/a	★★
% Rank in Category	96	84	92	92	54	n/a
Number of Funds in Category	1,380	1,257	1,102	812	597	1,257
Amana Growth Fund – "Large Growth" Category						
Investor Shares (AMAGX)	n/a	★★★★	★★★★	★★★	n/a	★★★★
% Rank in Category	23	32	35	64	43	n/a
Institutional Shares (AMIGX)	n/a	★★★★	★★★★	☆☆☆	n/a	★★★★
% Rank in Category	22	29	32	60	40	n/a
Number of Funds in Category	1,235	1,133	1,024	762	554	1,133
Amana Developing World Fund – "Diversified Emerging Markets" Category						
Investor Shares (AMDWX)	n/a	★★★★	★★★	★★	n/a	★★★
% Rank in Category	38	27	85	97	n/a	n/a
Institutional Shares (AMIDX)	n/a	★★★★	★★★	☆☆	n/a	★★★
% Rank in Category	37	26	84	94	n/a	n/a
Number of Funds in Category	784	708	598	317	n/a	708
Amana Participation Fund – "Emerging Markets Bond" Category						
Investor Shares (AMAPX)	n/a	★★★	★★★	n/a	n/a	★★★
% Rank in Category	92	75	78	n/a	n/a	n/a
Institutional Shares (AMIPX)	n/a	★★★★	★★★	n/a	n/a	★★★
% Rank in Category	91	71	74	n/a	n/a	n/a
Number of Funds in Category	277	255	214	n/a	n/a	255

[A] Morningstar Ratings™ ("Star Ratings") are as of September 30, 2021. 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

Continued from page 6

The industrial coatings manufacturer PPG was the Fund's worst performer in the quarter, as the supply chain backups impacted its earnings outlook. Other industrial and materials companies, including 3M and Air Products & Chemicals, also suffered double-digit losses during the quarter due to similar concerns.

The supply chain issues impacting the global economy raised questions about the fragility of the trade and logistics management practices that have been embraced by operations teams for decades. The amount of time it could take to untie these knots is unknown, and if companies choose to rethink their approach to inventory and supply management, the transition could mean several years of pressure on margins and lower returns on capital.

Another broad global concern on the horizon involves a host of issues in China, the world's second largest economy. President Xi is poised to stay in office for a third term after consolidating his power beyond that of his recent predecessors, with the threat of autocratic rule; continuing troubles in China's indebted and overheated property market could weigh on global demand and spread financial contagion beyond its own banking system; and the country's policing of speech and criticism outside of its borders, particularly amid concerns about forced labor and other human rights abuses of the country's Uighur population, raise a dilemma for western companies that want to maintain or increase business in China's large economy while staying true to democratic principles and not alienating customers and stakeholders outside of China.

Amana Growth Fund

Continued from page 7

Last quarter, half of the detractors provided a positive return. That was plainly not the case for the third quarter. With "transitory" inflation now likely to persist longer that originally anticipated, Federal Reserve tapering a near-term reality, and various government spending bills facing a rockier path, we are considering eliminating the Newmont position, which had existed as a hedge against dollar weakness. In fact, the dollar has been strengthening of late as investors anticipate higher rates. Except for Clorox, which we are selling, we remain committed to the other positions. Amgen has been on the bubble, but stands as a prodigious generator of cash, pays an attractive dividend yield, and its growth prospects appear to be improving. Valuation is also attractive, especially considering it features one of the cleaner profit and loss statements in terms of comparing earnings under Generally Accepted Accounting Principles (GAAP) to non-GAAP earnings. The latter often exists to flatter the company's outlook. After hitting all-time highs in May, Norfolk Southern and Union Pacific experienced a dire third quarter, which we chalk up to disrupted supply chains affecting their volumes.

Since the end of the second quarter, no new positions have entered the Top 10 Holdings.

Amana Developing World Fund

Continued from page 8

the top four contributors were Silergy and Monolithic Power Systems, both benefiting from sustained demand for semiconductors. Joining these semiconductor firms, Wilcon Depot and Techtronic Industries rounded out the top four contributors thanks to continued strength in the home improvement industry.

Whether China continues its historic path of integrating with the global economy or forges a divergent route towards hemispheres of influence will have wide-reaching implications for both developing and developed markets. This is a story that didn't begin in the third quarter of 2021 and won't finish playing out in the fourth. We believe that the actions taken in the third quarter were a signal that President Xi understands the deleterious effects of two Chinas (between rich and poor), and investors must understand Chinese history to know that it has always, in the long run, favored the rural poor over the urban rich. Meanwhile, we'll continue to look for ways to stay out of the CCP's crosshairs and take advantage of the long-term growth trends expected from developing countries looking to integrate with the global economy.

 Continued from page 9

of energy, particularly natural gas, which rose from $33.38 on January 1 to $82.29 on September 24 — a 252% increase! This rise in global energy prices has resulted in shortages around the world. More recently, numerous factories in China, including many used in Apple and Tesla's supply chain, have had to shut down due to power outages.[3] At this point, the knock-on effects are unclear; however, it is reasonable to anticipate that these high energy prices will hamper future economic activity and slow the global recovery. The rise in energy prices is also likely to raise inflationary pressures, which, in turn, is likely to lead market participants to anticipate higher interest rates – at least over the near-term.

The rise in energy prices is also likely to be supportive of hydrocarbon-dependent economies, such as those in the Middle East. The region continues to experience favorable economic activity; Saudi Arabia's non-oil sector experienced a 10.1% increase in economic activity during the second quarter of 2021. Current IMF estimates point to Saudi Arabia experiencing GDP growth of 4.8% in 2021 and 6.3% for 2022.[4] This is a marked improvement in outlook after Saudi Arabia reported its 2020 GDP growth at -4.1%.[5]

Year-to-date, the Fund's Institutional Shares returned 0.83% and the Investor Shares returned 0.75%. Both share classes trailed the FTSE Sukuk Index's return of 0.94%. For the trailing one-year period, the Institutional Shares and Investor Shares provided annualized returns of 2.34% and 2.19%, respectively. The Fund's performance can be attributed in part to the GCC region's favorable investment climate but also to our investment process, emphasizing the ownership of high-quality issuers, led by management teams who exercise prudence and demonstrate sound, long-term financial practices.

For the month of September, the Institutional Shares provided a 30-day yield of 0.91% and the Investor Shares provided a yield of 0.66%. The Fund reported a modified duration of 3.62 years for the quarter. The Fund is diversified among 36 separate issues to meet its investment objective of capital preservation and current income while being entirely invested in US dollar-denominated securities.

The top two performing issues during the third quarter were Dar Al Arkan, a Saudi Arabian real estate developer, and Saudi Telecom. The two worst performing issues over the quarter were Kuwaiti Financial House and DP World, a global shipping and logistics operator.

Over the upcoming fourth quarter we anticipate a supportive investment climate for *sukuk* investors to continue, given the low interest rates and accommodative fiscal and monetary policies.

Footnotes to commentary:

[1] Gallant, Chris. Why People Say September is the Worst Month for Investing. Investopedia, September 30, 2021. https://www.investopedia.com/ask/answers/06/septworstmonth.asp

[2] Schneider, Howard. Analysis: Fed's bond-buying program may be on the way out, but it's not going far. Reuters, September 24, 2021. https://www.reuters.com/business/finance/feds-bond-buying-program-may-be-way-out-its-not-going-far-2021-09-24/

[3] Singh, Shivani and Min Zhang. China power crunch spreads, shutting factories and dimming growth outlook. Reuters, September 27, 2021. https://www.reuters.com/world/china/chinas-power-crunch-begins-weigh-economic-outlook-2021-09-27/

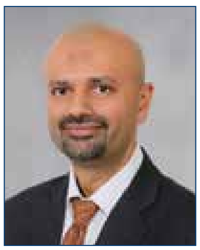
[4] Azhar, Saeed. Saudi Arabia's economy returns to growth after pandemic slump. Reuters, August 9, 2021. https://www.reuters.com/article/saudi-gdp/update-2-saudi-arabias-economy-returns-to-growth-after-pandemic-slump-idUSL1N2PG07F

[5] Press Release: IMF Executive Board Concludes 2021 Article IV Consultation with Saudi Arabia. IMF. July 8, 2021. https://www.imf.org/en/News/Articles/2021/07/08/pr21210-saudi-arabia-imf-executive-board-concludes-2021-article-iv-consultation

About The Authors

Scott Klimo CFA
Chief Investment Officer
Amana Growth Fund Portfolio Manager
Amana Income Fund and **Amana Developing World Fund** Deputy Portfolio Manager

Scott Klimo, Vice President, 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.

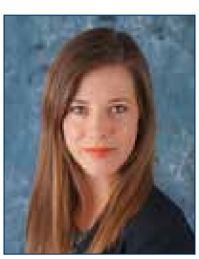


Monem Salam MBA
Senior Investment Analyst
Amana Income Fund and **Amana Developing World Fund** Portfolio Manager
Amana Growth Fund Deputy Portfolio Manager

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. Mr. Salam is an adjunct professor at IE Business School and speaks at Islamic finance/investment conferences worldwide. He co-authored A Muslim's Guide to Investing and Personal Finance. Mr. Salam 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, Mr. Salam was ranked among 500 of the Islamic world's most prominent and influential leaders by ISLAMICA 500 in 2015 and 2019.

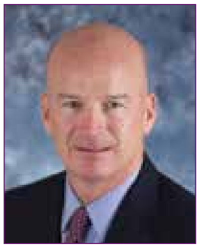
Patrick Drum MBA, CFA, CFP®
Senior Investment Analyst
Amana Participation Fund Portfolio Manager

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.



Elizabeth Alm CFA®
Senior Investment Analyst
Amana Participation Fund Deputy Portfolio Manager

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.



Christopher E. Paul MBA, CFA®
Senior Investment Analyst
Amana Growth Fund Deputy Portfolio Manager

Christopher E. Paul, Senior Investment Analyst and Portfolio Manager, joined Saturna Capital in August 2016. He earned an MBA in Finance from New York University and a BS in Computer Science from Syracuse University. Mr. Paul is a Chartered Financial Analyst® (CFA®) charterholder and Portfolio Manager of the Sextant Core Fund. His experience includes research and management positions at asset management firms and investment banks, as well as finance and operations roles at technology companies.

Levi Stewart Zurbrugg MBA, CPA®, CFA®
Senior Investment Analyst
Amana Developing World Fund Deputy Portfolio Manager

Levi Stewart Zurbrugg, Senior Investment Analyst, joined Saturna in June 2019. He graduated from Western Washington University with a BA in Business Administration and has an MBA from the University of Washington's Foster School of Business. Prior to Saturna, Mr. Stewart Zurbrugg worked at the Sustainability Accounting Standards Board as a Sector Analyst for the Consumer Staples sector. He is a Certified Public Accountant and is currently a Level III candidate in the Chartered Financial Analyst (CFA) program.

Important Disclaimers and Disclosures

This publication should not be considered investment, legal, accounting, or tax advice or a representation that any investment or strategy is suitable or appropriate to a particular investor's circumstances or otherwise constitutes a personal recommendation to any investor. This material does not form an adequate basis for any investment decision by any reader and Saturna may not have taken any steps to ensure that the securities referred to in this publication are suitable for any particular investor. Saturna will not treat recipients as its customers by virtue of their reading or receiving the publication.

The information in this publication was obtained from sources Saturna believes to be reliable and accurate at the time of publication.

***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.