

NORTHERN FUNDS

GLOBAL REAL ESTATE INDEX FUND (NGREX)

As of 06/30/20

FUND COMMENTARY

In the second quarter of 2020, the MSCI ACWI IMI Core Real Estate Index (Fund Index) returned 9.64 % underperforming the broader global equity market, represented by the MSCI World Index, which returned 19.36% in the quarter.

Within the Fund Index, the top-performing countries over this time period were Indonesia and Russia, returning 52.02% and 35.49%, respectively. Israel and Saudi Arabia were the worst-performing countries for this quarter, with returns of -14.07% and -4.60%, respectively.

During the quarter, the Global Real Estate Index Fund returned 9.85%, compared with the MSCI ACWI IMI Core Real Estate Index return of 9.64%. In the second quarter of 2020, Global equity markets saw their best quarter in almost a decade. While part of the quarter saw global equity markets struggling with increased volatility caused by uncertainty around the COVID-19 virus, equity markets quickly turned on increased optimism provided by fiscal and monetary policy from global policy makers. As energy demand initially cratered due to global economic shut downs combined with extended trade tensions between Russia and Saudi Arabia, triggering the front-month oil futures prices to trade negative in April. Oil reversed this trend and was followed by a sharp recovery in the later months of the quarter. Central banks took action against the pending global recession announcing new unprecedented stimulus packages in a number of countries including the U.S., while the U.S. Federal Reserve kept interest rates near zero. The new risk-on environment led to strong performance across almost every asset class as investors raced back into equity markets in record time. While the U.S. dollar remained strong it did weaken slightly over the quarter benefiting Emerging Market economies more generally. Almost every developed and emerging market country was positive in the second quarter, with the entire globe recovering from the initial impact of the COVID-19 virus

Please carefully read the summary prospectus or prospectus and consider the investment objectives, risks, charges and expenses of Northern Funds before investing. Call 800-595-9111 to obtain a summary prospectus or prospectus, which contains this and other information about the funds.

©2020 Northern Funds | Northern Funds are distributed by Northern Funds Distributors, LLC, not affiliated with Northern Trust.



NORTHERN FUNDS

GLOBAL REAL ESTATE INDEX FUND (NGREX)

Performance as of 06/30/20				Annualized Returns					
FUND	QTR	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception*	Gross Expense Ratio	Net Expense Ratio
Global Real Estate Index Fund	9.85%	-20.29%	-14.68%	-0.72%	1.94%	6.35%	2.43%	0.48%	0.48%
MSCI ACWI IMI Core Real Estate Index	9.64%	-20.54%	-15.07%	-1.09%	1.83%	6.59%	2.74%		

*Inception Date- 07/26/06

Effective July 31, 2018 the benchmark for the Global Real Estate Index Fund has changed from FTSE EPRA/NAREIT Global Index to MSCI ACWI IMI Core Real Estate Index which better aligns with the investment adviser's view of the investable universe in the real estate sector and to provide additional representation of real estate investment trusts and broader market capitalization.

Performance quoted represents past performance and does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that shown here. Performance data current to the most recent month end is available by calling 800-595-9111.

The Gross and Net Expense Ratios are as of the most recent prospectus. The Net Expense Ratio includes contractual expense reimbursements that, if not extended, will end on July 31, 2020.

Not FDIC insured | May lose value | No bank guarantee

Please remember that all investments carry some level of risk, including the potential loss of principal invested. They do not typically grow at an even rate of return and may experience negative growth. As with any type of portfolio structuring, attempting to reduce risk and increase return could, at certain times, unintentionally reduce returns.

Please carefully read the summary prospectus or prospectus and consider the investment objectives, risks, charges and expenses of Northern Funds before investing. Call 800-595-9111 to obtain a summary prospectus or prospectus, which contains this and other information about the funds.

©2020 Northern Funds | Northern Funds are distributed by Northern Funds Distributors, LLC, not affiliated with Northern Trust.

