

NORTHERN FUNDS

GLOBAL REAL ESTATE INDEX FUND (NGREX)

As of 09/30/21

FUND COMMENTARY

In the third quarter of 2021, the MSCI ACWI IMI Core Real Estate Index (Fund Index) returned -0.93% underperforming the broader global equity market, represented by the MSCI World Index, which returned -0.01% in the quarter.

Within the Fund Index, the top-performing countries over this time period were India and Israel, returning 48.43% and 16.38%, respectively. Chile and Brazil were the worst-performing countries for this quarter, with returns of -28.62% and -26.12%, respectively.

During the quarter, the Global Real Estate Index Fund returned -1.01%, compared with the MSCI ACWI IMI Core Real Estate Index return of -0.93%. Global equities posted their first quarterly loss since the pandemic decline. U.S. and developed ex-U.S. earnings growth mostly offset lower valuations, but emerging market (EM) earnings lagged. EM equities fell bogged down by China's regulatory clampdown and credit concerns. China has added a new act to the regulatory crackdowns they have selectively implemented over the past few years. After laying low for much of the past year, the Chinese government has ramped up its regulatory crackdown across several industries. This has investors rightly concerned. Developed ex-U.S. equities declined and U.S. equities were flat. Strong corporate profitability and easy monetary policy lifted developed equities, but concerns on peak growth, inflation and unwinding stimulus built a wall of worry in September.

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

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Performance as of 09/30/21				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	-1.01%	12.62%	26.27%	6.32%	4.99%	8.40%	3.98%	0.48%	0.48%
MSCI ACWI IMI Core Real Estate Index ¹	-0.93%	12.71%	26.45%	6.10%	4.77%	8.45%	4.26%		

*Inception Date- 07/26/06

¹MSCI ACWI IMI Core Real Estate Index is a free float-adjusted market capitalization index that consists of large, mid and small-cap stocks across 23 developed markets and 24 emerging markets countries engaged in the ownership, development and management of specific core property type real estate. It is not possible to invest directly in an index.

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, 2022.

Equity Risk: Equity securities (stocks) are more volatile and carry more risk than other forms of investments, including investments in high-grade fixed income securities. The net asset value per share of this Fund will fluctuate as the value of the securities in the portfolio changes.

Index Fund Risk: The performance of the Fund is expected to be lower than that of the Index because of Fund fees and expenses. It is important to remember that there are risks associated with index investing, including the potential risk of market decline, as well as the risks associated with investing in specific companies.

International Risk: International investing involves increased risk and volatility.

REIT/Real Estate Risk: Investments in the Fund are subject to the risks related to direct investment in real estate, such as real estate risk, regulatory risks, concentration risk, and diversification risk. Investments in REITs involve certain additional unique risks. By itself the Fund does not constitute a complete investment plan and should be considered a long-term investment for investors who can afford to weather changes in the value of their investments.

Not FDIC insured | May lose value | No bank guarantee

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