

# NORTHERN FUNDS

## MULTI-MANAGER EMERGING MARKETS DEBT OPPORTUNITY (NMEDX)

As of 12/31/20

### FUND COMMENTARY

During the fourth quarter, external emerging markets debt generated a return of 5.80% as measured by the J.P. Morgan Emerging Markets Bond Index Global Diversified. On a regional basis, Africa was the best performer returning 14.31% while Asia was the relative laggard with a return of 1.13%. On an individual country level, Angola (+22.49%), Ghana (+19.59%) and Venezuela (+18.11%) were the top performers. Lebanon had the worst performance returning -21.89%. During the quarter, investment grade underperformed high yield, at 2.96% versus 9.32%. Local markets returned 9.62% for the quarter as measured by the J.P. Morgan Government Bond Index - Emerging Markets Global Diversified. The region of Middle East/Africa was the primary driver with a 21.31% return for the quarter. The Europe region performed worst of the group with a positive 6.04% return for the quarter. On a country level, South Africa (+21.31%) and Mexico (+15.53%) were the top performers while the Philippines (+1.35%) and Malaysia (+4.05%) were the worst.

The Multi-Manager Emerging Markets Debt Opportunity Fund outperformed its blended benchmark for the quarter with a return of 9.30% compared to 7.70%, respectively. During the quarter, both sub-advisers contributed positively to the Fund's performance. Global Evolution's overweight to local currency and country positioning in China, Saudi Arabia and Philippines were additive for the quarter. Costa Rica and Indonesia were the largest detractors for the quarter. Ashmore's risk-on stance benefited results as the markets continued to recover. Their high yield holdings and positioning in Mexico and Brazil, which were two of the larger country exposures in their portfolio, contributed positively.

**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.**

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Performance as of 12/31/20				Annualized Returns				Gross Expense Ratio	Net Expense Ratio
FUND	QTR	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception *		
Multi-Manager Emerging Markets Debt Opportunity	9.30%	2.66%	2.66%	2.29%	5.34%	N/A	2.15%	1.01%	0.94%
50% JP Morgan EMBI Global Diversified and 50% JP Morgan GBI-EM Global Diversified	7.70%	4.02%	4.02%	4.09%	6.97%	N/A	3.98%		

\*Inception Date- 12/03/13

**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, 2021.

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.

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