

NORTHERN FUNDS

MULTI-MANAGER EMERGING MARKETS DEBT OPPORTUNITY (NMEDX)

As of 06/30/20

FUND COMMENTARY

During the second quarter, external emerging markets debt (i.e., securities issued in hard currency, such as U.S. or euro denominated) generated a return of 12.26% as measured by the J.P. Morgan Emerging Markets Bond Index Global Diversified. On a regional basis Africa was the best performer returning 25.95% while Asia was the relative laggard with a return of 8.52%. On an individual country level, Angola returned 119.40% and was the top performer. Only 5 of the Index's 74 constituent countries had a negative total return, led by Venezuela (-39.60%). Within external emerging markets debt, high yield (+16.57%) outperformed investment grade (+9.06%) during the quarter. Local markets returned 9.82% for the quarter as measured by the J.P. Morgan Government Bond Index - Emerging Markets Global Diversified. On a country level, Indonesia, Colombia and Russia performed the best returning 21.47%, 18.00% and 17.16%, respectively. Dominican Republic performed the worst returning a negative -4.76%.

The Multi-Manager Emerging Markets Debt Opportunity Fund outperformed its blended benchmark for the quarter with a return of 12.71% compared to 11.05%, respectively. During the quarter, Global Evolution outperformed the benchmark mostly driven by their external debt positioning in Angola and the Ukraine. Both local and external debt positions in Argentina were additive as well. An off-benchmark position in Costa Rica and overall foreign exchange positioning were the top detractors for the second quarter. Ashmore outperformed the benchmark for the quarter driven by high yield holdings and select positions in Angola, Ecuador and Egypt. Conversely, positions in Venezuela continue to be a drag on the portfolio.

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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 (NMEDX)

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
Multi-Manager Emerging Markets Debt Opportunity	12.71%	-8.00%	-6.38%	0.29%	1.76%	N/A	0.62%	1.13%	0.96%
50% JP Morgan EMBI Global Diversified and 50% JP Morgan GBI-EM Global Diversified	11.05%	-4.80%	-1.10%	2.43%	3.89%	N/A	2.89%		

*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, 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.

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