

# NORTHERN FUNDS

## INTERNATIONAL EQUITY FUND (NOIGX)

As of 03/31/19

### FUND COMMENTARY

On the back of a volatile and weak fourth quarter, the global markets rebounded and posted the strongest quarter in more than five years. Performance was supported by a more dovish Federal Reserve that signaled a slower pace to rate hikes, aligning with the other central banks that have remained accommodative. All global regions participated in the market rebound, led by North America and the Pacific regions. The risks to a global recession have declined but global GDP is expected to decline over the next few quarters as investors navigate a number of political and economic uncertainties such as a prolonged BREXIT, US and China trade deal, and lower corporate earnings growth.

The International Equity Fund posted a total return of 10.38% for the quarter, compared with 10.45% for the Fund's benchmark, the MSCI World ex USA Index. Investors reversed course and added risk to their portfolios during the quarter, the cyclical sectors led performance, with the strongest performance coming from the information technology and materials sectors. The overweight to inexpensive securities detracted from performance as inexpensive securities trailed expensive securities by nearly 5%. Growth oriented securities rebounded from the prior quarter creating headwinds to performance for the strategy which invests in high quality, inexpensive companies. The strategy performance was supported by high quality securities outperforming those of lower quality.

By focusing on inexpensive, high-quality securities and prudent risk management, we believe the strategy can deliver attractive long-term performance. This strategy is favorably positioned as geopolitical concerns have subsided and investors are refocusing on company fundamentals and valuations.

**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.**

©2019 Northern Funds | Northern Funds are distributed by Northern Funds Distributors, LLC, not affiliated with Northern Trust.



# NORTHERN FUNDS

## INTERNATIONAL EQUITY FUND (NOIGX)

Performance as of 03/31/19				Annualized Returns					
FUND	QTR	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception*	Gross Expense Ratio	Net Expense Ratio
International Equity Fund	10.38%	10.38%	-5.55%	6.77%	0.84%	8.01%	4.46%	0.67%	0.51%
MSCI World ex USA Index**	10.45%	10.45%	-3.14%	7.29%	2.20%	8.82%	5.05%		
MSCI EAFE Index	9.98%	9.98%	-3.71%	7.27%	2.33%	8.96%	4.89%		

\*Inception Date- 04/01/94

\*\*Effective July 31, 2018 the benchmark for the International Equity Fund has changed from MSCI EAFE Index to MSCI World ex USA Index which better aligns with the investment adviser's view of the developed international equity markets.

**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, 2019.

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.**

©2019 Northern Funds | Northern Funds are distributed by Northern Funds Distributors, LLC, not affiliated with Northern Trust.

