

# NORTHERN FUNDS

## INTERMEDIATE TAX-EXEMPT FUND (NOITX)

As of 06/30/20

### FUND COMMENTARY

The Federal Reserve left rates unchanged at 0.00% - 0.25% at its two meetings during the quarter and reemphasized its support of easy policy conditions now and going forward. Demand for municipals increased from all major market participants, in particular industry mutual fund flows turned quite positive. Tax free investors capitalized on higher than normal tax free yields and elevated ratios left over from the March sell off.

The Fund returned 2.48% for the second quarter, compared to 3.19% for Bloomberg Barclays Intermediate Municipal Bond Index, the Fund's benchmark. The Fund's underweight to BBB-rated bonds hurt relative performance as this rating category snapped back from a very rough first quarter. The Fund maintained its duration and higher quality bias during the quarter. The Fund used a broad maturity structure to take advantage of the steepness of the yield curve. The Fund remains focused on relative value opportunities across the yield curve. Dedicated essential service revenue bonds and general obligation bonds with broad tax bases and well-funded pensions remain the focus.

*Holdings are subject to change and current and future portfolio holdings are subject to risk.*

**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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## INTERMEDIATE TAX-EXEMPT FUND (NOITX)

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
Intermediate Tax Exempt	2.48%	2.27%	4.28%	3.57%	3.33%	3.41%	4.16%	0.51%	0.47%
Bloomberg Barclays Intermediate Muni Bond Index	3.19%	2.34%	4.34%	3.82%	3.57%	3.85%	4.99%		

\*Inception Date- 04/01/94

**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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