

# NORTHERN FUNDS

## LARGE CAP CORE FUND (NOLCX)

As of 09/30/21

### FUND COMMENTARY

U.S. equities continued to deliver positive returns in the third quarter, reaching new all-time highs before pulling back with late-quarter volatility. Concerns in the Chinese real estate market added to investors uncertainty around U.S. fiscal policy and a potential government shutdown. Credit spreads, interest rates, and commodity prices ended the quarter relatively unchanged as investors awaited more details surrounding the size and scope of the U.S. Infrastructure Bill as well as the pace of U.S. Federal Reserve tapering. Financials were the best-performing sector, helped by a late-quarter rally in interest rates. Industrials, materials, and energy sectors lagged as investors took profits in cyclical sectors.

The Fund outperformed its benchmark for the quarter. High value (inexpensive) securities underperformed expensive names in the benchmark during the quarter as inflation expectations steadied and interest rates continued to moderate. The portfolio's preference for value stocks and an underweight to expensive stocks detracted from performance. High quality securities outperformed low quality securities during the quarter as investors continue to move away from the riskiest names and focus on those with solid fundamentals. Overall allocation to quality added to performance. High momentum names outperformed low momentum names as investors' shift toward growth names continued. Allocation to high momentum names contributed positively to performance. Stock selection added to performance in information technology and communication services sectors and detracted from performance in the materials and financial sectors.

We expect the outlook for high-quality, inexpensive securities to remain positive in the U.S., given current valuation levels. We also believe the Fund's focus on high quality securities is positioned to withstand challenging economic scenarios and volatile market environments, as well as benefit from accommodative monetary policy and the strong company fundamentals.

**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
Large Cap Core Fund	0.89%	19.72%	33.48%	13.43%	14.69%	15.41%	9.15%	0.57%	0.45%
S&P 500 Index <sup>1</sup>	0.58%	15.92%	30.00%	15.99%	16.90%	16.63%	10.29%		

\*Inception Date- 12/16/05

<sup>1</sup>**S&P 500® Index** is an unmanaged index consisting of 500 stocks and is a widely recognized common measure of the performance of the overall U.S. stock market. 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.

Not FDIC insured | May lose value | No bank guarantee

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