

# NORTHERN FUNDS

## LARGE CAP CORE FUND (NOLCX)

As of 06/30/20

### FUND COMMENTARY

The S&P 500 Index rebounded from the first quarter decline with one of largest quarterly rallies on record. Risk appetite rebounded as investors were confident that fiscal and monetary support had removed the worst case scenarios for the economy. The reopening of businesses in several states also buoyed investor sentiment. In addition, many economic indicators, including employment, consumer spending, manufacturing, and housing data appeared to have bottomed in the quarter. Continued low interest rates, declining credit spreads, and increasing commodity prices also supported the recovery in equity markets. Consumer discretionary was the best-performing sector in the quarter, as investors repurchased names in retail industries that were heavily impacted by shutdowns in the first quarter. The information technology sector also outperformed, as investors continued their preference for mega-cap growth names. Defensive sectors such as utilities and consumer staples underperformed, as investors sought out high volatility exposure in the risk-on rally.

The Large Cap Core Fund posted a total return of 20.05% for the quarter, compared with 20.54% for the Fund's benchmark, the S&P 500 Index. High value (inexpensive) securities underperformed expensive names in the benchmark during the quarter. The portfolio's preference for value stocks and an underweight to expensive stocks detracted from benchmark-relative performance. High quality stocks outperformed versus low quality stocks. Overall, allocation to quality added to performance. The portfolio was overweight high momentum securities compared to the benchmark. High momentum names underperformed low momentum names, detracting from relative performance. Stock selection added to performance in consumer discretionary and financials sectors, and detracted from relative performance in information technology and health care 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 strategy'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 strong company fundamentals.

**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 06/30/20				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	20.05%	-5.43%	4.01%	7.93%	8.10%	12.74%	7.38%	0.57%	0.46%
S&P 500 Index	20.54%	-3.08%	7.51%	10.73%	10.73%	13.99%	8.60%		

\*Inception Date- 12/16/05

**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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