

NORTHERN FUNDS

LARGE CAP CORE FUND (NOLCX)

As of 03/31/21

FUND COMMENTARY

U.S. equities posted a strong start to the year, as economic growth expectations continued to rise. The roll out of COVID-19 vaccines to the public, along with the passage of an additional \$1.9T fiscal stimulus bill, provided a tailwind to economic reopening and the market. Credit spreads continued to move lower as oil prices, interest rates, and inflation expectations moved higher. For the second quarter in a row, cyclical segments of the market outperformed, led by energy and financials sectors. Consumer staples, utilities, and information technology sectors lagged the market, as investors continued to prefer value-oriented names tied to the improving economic conditions.

The Fund outperformed its benchmark for the quarter. High value (inexpensive) securities outperformed expensive names in the index during the quarter as economic numbers continued to improve. The portfolio's preference for value stocks and an underweight to expensive stocks added to performance. High quality securities underperformed low quality securities during the quarter, but improved in March as investors started to move away from the riskiest names. Overall, allocation to quality detracted from performance. The portfolio was overweight high momentum securities compared to the benchmark. High momentum names underperformed low momentum names, as investors rotated from growth to value names, detracting from performance. Stock selection added to performance in information technology and consumer discretionary sectors and detracted from performance in communication services and real estate 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 03/31/21				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	9.56%	9.56%	55.62%	13.34%	13.79%	12.77%	8.83%	0.56%	0.46%
S&P 500 Index	6.17%	6.17%	56.35%	16.78%	16.29%	13.91%	10.01%		

*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, 2021.

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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