

NORTHERN FUNDS

SMALL CAP INDEX FUND (NSIDX)

As of 03/31/19

FUND COMMENTARY

In the first quarter of 2019, small-cap equities as measured by the Russell 2000 Index (Fund Index) returned 14.58% outperforming large-cap equities as measured by the Russell 1000 Index which returned 14.00%.

Within the Fund Index, the top-performing sectors over this time period were information technology and energy, returning 22.81% and 20.04%, respectively. Consumer staples and financials were the worst-performing sectors for the quarter, with returns of 7.45% and 8.63%, respectively.

The Small Cap Index Fund returned 14.58% for the quarter, in-line with its benchmark, the Russell 2000 Index, which returned 14.58% for the quarter. After a dovish pivot from the US Federal Reserve, the S&P 500 index reversed course in the first quarter leading to a strong start for the market in 2019. Expectations of forward rate hikes in the coming year diminished, which investors viewed as supportive of risk assets such as equities. As focus shifts back to fundamentals and the business cycle, investors will continue to monitor macro events such as developments in global trade as well as Brexit. The cyclical sectors of information technology and real estate were the best performing sectors, on a relative basis, while the sectors of health care and financials were the lowest performers.

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

SMALL CAP INDEX FUND (NSIDX)

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
Small Cap Index Fund	14.58%	14.58%	1.97%	12.82%	6.93%	15.17%	7.71%	0.18%	0.15%
Russell 2000 Index	14.58%	14.58%	2.05%	12.92%	7.05%	15.36%	8.19%		

*Inception Date- 09/03/99

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.

