

# NORTHERN FUNDS

## ACTIVE M INTERNATIONAL EQUITY FUND (NMIEX)

As of 03/31/19

### FUND COMMENTARY

Global equities had a strong start to 2019, led by the U.S. which benefitted from its solid economy. European and Japanese equities also performed well but markets were a bit more muted due to lingering global recession worries. Overall, international equities, as represented by the MSCI World® ex USA IM Index, gained 10.52% for the quarter and were led by double-digit returns in Switzerland, the U.K. and France while Japan and Germany posted more modest gains. Most sectors posted double-digit gains led by information technology, while the communication services sector lagged all other sectors. From a style perspective, growth was back in favor as the MSCI World ex USA IM Growth Index returned 12.45% as compared to the Value Index's return of 8.59%.

The Fund returned a strong 9.38% for the quarter, yet lagged the MSCI World ex USA IM Index's return of 10.52%. Stock selection, primarily within industrials, was the biggest drag on relative performance. The impact from sector allocations was basically flat as the benefits from an overweight to information technology was mostly offset by an overweight to the weaker performing communication services sector.

Brandes Investment Partners's and Wellington Management's value-oriented strategies faced a headwind as growth outpaced value during the quarter. Brandes was also negatively impacted from its exposure to emerging markets. On the other hand, WCM's growth strategy performed well due in part to regional allocations, including an underweight to Japan. Victory's international small-cap strategy also contributed positively for the quarter, as a result of its stock selection.

**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 03/31/19				Annualized Returns					
FUND	QTR	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception*	Gross Expense Ratio	Net Expense Ratio
Active M International Equity Fund	9.38%	9.38%	-5.40%	6.90%	1.50%	7.15%	2.47%	0.95%	0.85%
MSCI World ex-USA IM Index	10.52%	10.52%	-3.97%	7.29%	2.40%	9.23%	3.24%		

\*Inception Date- 06/22/06

**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.

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