



## News Release

*Media Contacts:*

John O'Connell +1 312 444 2388 John_O'Connell@ntrs.com	Tim Hacker +1 312 557 6090 Tim_Hacker@ntrs.com
--	--

<http://www.northerntrust.com>

**FOR IMMEDIATE RELEASE**

### **Northern Trust Ultra-Short Fixed Income Funds Exceed \$4 Billion in Assets**

**CHICAGO, January 16, 2014** – Northern Trust's two ultra-short fixed income mutual funds have surpassed \$4 billion in combined assets, as investors continue to seek alternatives to money market funds in a continuing environment of low-interest rates.

As of December 31, 2013, the Northern Ultra-Short Fixed Income Fund (NUSFX) had \$1.45 billion in assets and the Northern Tax-Advantaged Ultra-Short Fixed Income Fund (NTAUX) had \$2.63 billion, with combined assets up 47 percent from a year earlier.

“Our ultra-short strategies continue to grow in size, confirming our view that investors are eager to find lower risk strategies that still offer the potential for some incremental yield,” said Colin Robertson, Managing Director of Fixed Income for Northern Trust. “We believe that interest rates will remain low for the foreseeable future, helping our ultra-short funds gain further momentum among investors seeking a total-return strategy.”

Both ultra-short mutual funds were launched in 2009 as a complement to Northern Trust's established cash management and ultra-short duration portfolio management strategies, including more than \$200 billion across institutional and personal client assets. Ultra-short strategies are an option for investors with an appetite for modest interest rate risk, credit risk, and liquidity risk compared to traditional money market funds.

-more-

“With low interest rates and increased regulatory pressure on money market funds, investors are looking for opportunities to improve yield without taking more than moderate risk in the process,” said Director of Ultra-Short Fixed Income Carol Sullivan. “We have been in this business a long time. Northern Trust has decades of separately managed account history in this strategy prior to creating the ultra-short mutual funds. Our emphasis on risk management, credit research, and diversified portfolio construction allows us to manage downside risk as the investment environment changes. In targeting a neutral duration of one year, the ultra-short funds can be part of an investor's larger fixed income strategy, helping them achieve specific investment goals.”

The minimum investment required for each fund is \$2,500. The current net expense ratio for Northern Ultra-Short Fixed Income Fund is .26%, or \$26 for every \$10,000 invested. The current net expense ratio for Northern Tax-Advantaged Ultra-Short Fixed Income Fund is .25%. According to Morningstar, as of 12/31/2013, the average expense ratio for Ultra-Short Bond Funds is .63%. (1)

It is important to note that the funds are not money market funds, which strive to maintain a \$1.00 net asset value. The share price of the ultra-short funds fluctuates with their returns and the funds are designed to act as an alternative to – not a substitute for – money market fund investments. An investment in either fund could result in a loss of principal.

### **About Northern Trust**

(1)The gross expense ratio for the Ultra-Short Fixed Income Fund and the Tax-Advantaged Ultra-Short Fixed Income funds are 0.46% and 0.43%, respectively. The Net expense ratios include contractual expense reimbursements that, if not extended, will end on July 31, 2014.

**Bond Risk:** Bond funds will tend to experience smaller fluctuations in value than stock funds. However, investors in any bond fund should anticipate fluctuations in price, especially for longer-term issues and in environments of rising interest rates.

*Please carefully read the prospectus and summary prospectus and consider the investment objectives, risks, charges and expenses of Northern Funds before investing. Visit [northernfunds.com](http://northernfunds.com) or 800-595-9111 to obtain a prospectus and summary prospectus.* Northern Funds are distributed by Northern Funds Distributors, LLC, not affiliated with Northern Trust.

Northern Trust Corporation (Nasdaq: NTRS) is a leading provider of investment management, asset and fund administration, banking solutions and fiduciary services for corporations, institutions and affluent individuals worldwide. Northern Trust, a financial holding company based in Chicago, has offices in 18 U.S. states and 18 international locations in North America, Europe, the Middle East and the Asia-Pacific region. As of September 30, 2013, Northern Trust had assets under custody of US\$5.2 trillion, and assets under investment management of US\$846.2 billion. For more than 120 years, Northern Trust has earned distinction as an industry leader in combining exceptional service and expertise with innovative products and technology. For more information, visit [www.northerntrust.com](http://www.northerntrust.com) or follow us on Twitter @NorthernTrust.

Northern Trust Corporation, Head Office: 50 South La Salle Street, Chicago, Illinois 60603 U.S.A., incorporated with limited liability in the U.S. Global legal and regulatory information can be found at <http://www.northerntrust.com/disclosures>

###