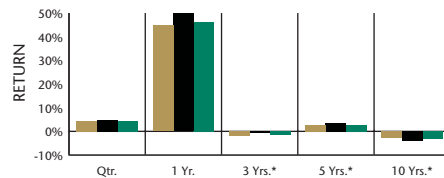


Fund Objective: Seeks capital appreciation. The Fund pursues this objective through investment in equity securities of companies with the potential for above-average growth in earnings.

TOTAL RETURNS (%) AS OF 3/31/10

Inception Date: 12/12/94



Period	Fund	Russell 1000 Growth Index ²	Lipper Category 2nd Quartile Total Return Ranking ³
Qtr.	4.45	4.65	4.23
1 Yr.	44.77	49.75	46.09
3 Yrs.*	-1.72	-0.78	-1.68
5 Yrs.*	2.74	3.42	2.65
10 Yrs.*	-2.55	-4.21	-3.11

Lipper Category: Large-Cap Growth Funds

* Returns for periods over one year are annualized. The returns represent past performance. Past performance does not guarantee future results. The Fund's investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted above. To obtain the most recent month-end returns, please visit our website at www.commercefunds.com/fund_is_SharePerf.shtm.

The Total Returns are average annual total returns or cumulative total returns (only if the performance period is one year or less) as of the most recent calendar quarter-end. They are net of expenses and assume reinvestment of all distributions at net asset value. Because the Fund is not subject to a sales charge, such a charge is not applied to their Total Returns.

The Fund invests in mid-capitalization securities. The securities of mid-capitalization companies involve greater risks than those associated with larger, more established companies and may be subject to more abrupt or erratic price movements.

GROWTH FUND UPDATE

Growth stocks continued their upward trend in the first quarter that began from the lows on March 7, 2009. The strongest sector, rising 10%, was producer manufacturing. Many of these industrial companies are benefiting from strong worldwide economic growth. Other strong sectors were consumer services and retailing as U.S. consumers continue to increase their spending levels from extremely low levels a year ago. Four of the top seven performing stocks were in consumer services. Phillips-Van Heusen (0.65%), Chipotle Mexican Grill Inc. (0.73%), ITT Educational Services Inc. (0.66%) and Panera Bread Co. (1.08%) rose 40%, 28%, 17% and 15%, respectively.

Energy related stocks had a tough time in the first quarter. While the Fund is not overweighted in energy, stock selection hurt performance. The two worst performing stocks were energy related as CONSOL Energy Inc. (0.49%) and Diamond Offshore Drilling (0.67%) declined 19% and 15%.

Over the quarter the Fund increased the exposure in health care stocks and we are now overweight the Index. Health care stocks are trading at attractive valuations and with the passage of the health care bill the outlook is less uncertain going forward.

SECTOR DIVERSIFICATION⁴ (%)

SECTOR	Fund	Index*
Electronic Technology	19.92%	17.12%
Technology Services	17.89%	15.09%
Health Technology	15.91%	13.73%
Consumer Non-Durables	10.07%	12.59%
Consumer Services	6.54%	4.00%
Retail Trade	4.73%	8.56%
Process Industries	4.23%	2.94%
Producer Manufacturing	4.13%	5.49%
Finance	3.50%	5.98%
Health Services	3.00%	2.13%

SECTOR	Fund	Index*
Energy Minerals	2.83%	2.73%
Industrial Services	2.08%	2.17%
Distribution Services	1.51%	0.98%
Non-Energy Minerals	1.49%	1.10%
Consumer Durables	1.08%	0.61%
Transportation	0.51%	1.91%
Utilities	0.35%	0.86%
Commercial Services	0.23%	1.33%
Other	0.00%	0.08%
Communications	0.00%	0.60%

* Russell 1000 Growth Index

FUND FACTS

Ticker Symbol:	CFGRX
CUSIP:	200626406

FINANCIAL INFORMATION

Total Fund Assets	\$117,815,095
Net Asset Value ¹	\$24.18

EXPENSE RATIO⁵

Current (net)	1.13%
Before Waiver (gross)	1.22%

MANAGER PROFILE

Joseph C. Williams III, CFA
• Joined Commerce in 1975
• 33 years of experience
• Fund manager since Fund inception

MORNINGSTAR STYLE BOX

Value	Blend	Growth	Large
			Med
			Small

ASSET ALLOCATION

Equities	99.5%
Cash	0.5%

PORTFOLIO CHARACTERISTICS

Avg. Mkt. Capitalization	\$54.2 Billion
Price/Earnings Ratio ⁶	18.5x
Number of Holdings	76

TOP TEN HOLDINGS⁴

1. Microsoft Corp.	4.4%
2. International Business Machines Corp.	4.4%
3. Apple Inc.	3.6%
4. Google Inc.	3.6%
5. Cisco Systems Inc.	3.6%
6. PepsiCo Inc.	3.2%
7. Oracle Corp.	3.1%
8. Hewlett-Packard Co.	3.1%
9. United Technologies Corp.	2.7%
10. Texas Instruments Inc.	2.0%



LIPPER RANKINGS

Lipper Large-Cap Growth Funds as of 3/31/10

1 Year	514 out of 834
5 Years	288 out of 611
10 Years	125 out of 330

Lipper Total Return Rankings — Lipper Analytical Services, Inc. is an independent publisher of mutual fund rankings, records rankings for these and other Commerce Funds for one-year, three-year, five-year, and ten-year total returns periods. Lipper compares mutual funds within a universe of funds with similar investment objectives, including dividend reinvestment. Lipper rankings are based on **total return** at net asset value and do not reflect sales charges. Lipper rankings do not imply that the fund had a high total return.

MORNINGSTAR RATINGS

Large Growth Funds Category as of 3/31/10

Overall ★★★	out of 1547 funds
3-Year ★★★★★	out of 1547 funds
5-Year ★★★	out of 1276 funds
10-Year ★★★	out of 718 funds

Morningstar Risk-Adjusted Ratings: The Overall Rating is derived from a weighted average of the performance figures associated with its 3-, 5-, and 10-year (if applicable) Morningstar Rating Metrics. Morningstar, Inc. is an independent publisher of mutual fund research and ratings. Ratings reflect a fund's risk-adjusted 3-, 5-, and 10-year total returns, including any sales charge. A Fund is rated against all other funds in its category. 5 stars are assigned to the top 10%; 4 stars to the next 22.5%; 3 stars to the next 35%; 2 stars to the next 22.5%; and 1 star to the bottom 10%. Morningstar only rates funds with at least a 3-year history. Past performance is not a guarantee of future results.

Notes:

1. The Net Asset Value represents the assets of the Fund (ex dividend) divided by the total number of shares.
2. The Russell 1000 Growth Index is an unmanaged index that measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The Index figures do not reflect any deduction for fees, expenses or taxes. It is not possible to invest directly in an unmanaged index.
3. The Lipper Category 2nd Quartile Total Return Ranking represents the lowest performing fund in the second quartile within the respective Lipper investment category. The returns are net of expenses and do not take into account sales charges.
4. Holdings and allocations shown are unaudited, and may not be representative of current or future investments. Holdings and allocations may not include the Fund's entire investment portfolio, which may change at any time. Fund holdings should not be relied on in making investment decisions and should not be construed as research or investment advice regarding particular securities.
5. The total annual operating expenses of the Funds, both current (net of any fee waivers or expense limitations) and before waivers (gross of any fee waivers or expense limitations), are as set forth above. In the case of the Growth, Short-Term Government, National Tax-Free Intermediate, Missouri Tax-Free Intermediate and Kansas Tax-Free Intermediate Funds, the Adviser has contractually agreed to limit each Fund's total annual operating expenses (excluding interest, taxes and extraordinary expenses) until October 31, 2010. In the case of the Value and Bond Funds, the Adviser has voluntarily agreed to limit the total annual operating expenses (excluding interest, taxes and extraordinary expenses) of the Funds and reserves the right to discontinue the expense reimbursement at any time. A Fund's total annual operating expenses may increase without shareholder approval.
6. The price-earnings ratio (PE Ratio) is the market value per share of a company, divided by its earnings per share (EPS). The PE Ratio is used as a measure of valuation of a company's stock price.

Goldman, Sachs & Co. is the distributor of The Commerce Funds.

A current Commerce Funds prospectus or additional information regarding The Commerce Funds may be obtained by:

- calling: 1-800-995-6365
- visiting our website at www.commercefunds.com
- or by writing to:

The Commerce Funds
P.O. Box 219525
Kansas City, MO 64121-9525

Please consider a fund's objectives, risks and charges and expenses, and read the prospectus carefully before investing. The prospectus contains this and other information about the Fund.

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