



Commerce Midcap Growth Fund

9/30/21

TICKER SYMBOL	CFAGX	CUSIP	200626505	INCEPTION DATE	12/12/94
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FUND OBJECTIVE Seeks capital appreciation. The Fund pursues this objective through investment in equity investments of mid-cap issuers that show the potential for above-average growth in earnings.

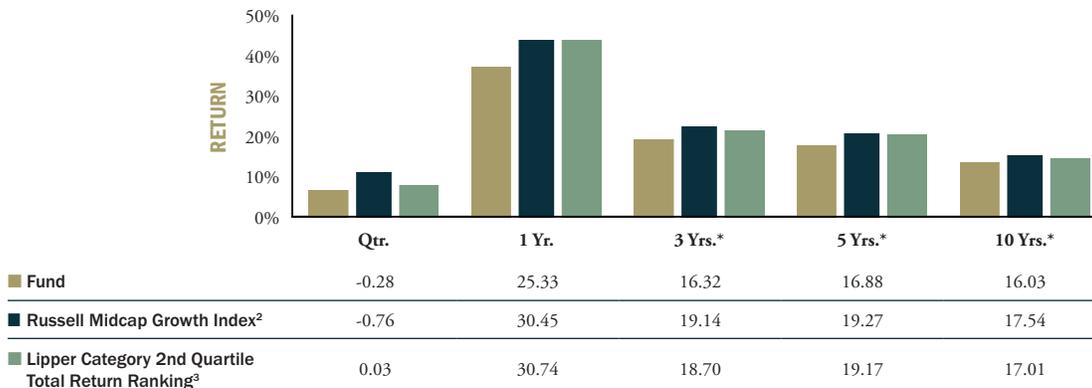
MIDCAP GROWTH FUND UPDATE

Equity markets climbed higher the first two months of the quarter on continued efforts of re-opening activity along with solid earnings reports from companies. However, market volatility returned in September as investors faced slowing economic growth along with the Federal Reserve indicating stimulus measures would begin to taper off. For the third quarter, The Commerce Mid Cap Growth Fund's return of -0.28% outperformed the Russell Mid Cap Growth Index of -0.82%.

Stock selection was the largest contributor to the Fund's outperformance. The Fund's strongest stocks were Repligen Corporation (1.26%), Monolithic Power Systems, Inc. (1.25%), SiteOne Landscape Supply, Inc. (1.24%) and FactSet Research Systems Inc. (1.30%) returning 44.77%, 29.95%, 17.85%, and 17.88%, respectively. The Fund's top detractors were Zynga Inc. Class A (0.92%) and IPG Photonics Corporation (1.15%) returning -29.16% and -24.85%, respectively.

The Fund's sector allocations also helped the Fund's outperformance. The Fund was 1.94% underweight the Index's weight of 5.26% in the Communication Services sector, the worst performing sector, returning -22.92%. In addition, the Fund had a 0.46% overweight to the best performing sector, Financials, returning 6.54%. The Index had a 4.67% weight to the Financials sector. The Fund's 1.74% overweight to the Consumer Staples sector which was among the worst performing sectors for the quarter returning -13.68% hurt performance. The Index had a 1.91% weight to the Consumer Staples sector.

TOTAL RETURNS (%) AS OF 9/30/21



Lipper Category: Mid-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 <https://commercefunds.com/fund-information/fund-performance>.

SECTOR DIVERSIFICATION⁴ (%)

Sector	Fund	Index*	Sector	Fund	Index*
Communication Services	3.45%	4.92%	Industrials	14.68%	14.40%
Consumer Discretionary	13.39%	16.31%	Information Technology	32.97%	34.32%
Consumer Staples	3.78%	1.82%	Materials	3.65%	1.75%
Energy	0.00%	1.57%	Real Estate	2.37%	1.91%
Financials	4.90%	5.04%	Utilities	0.00%	0.14%
Health Care	18.26%	17.82%	Unassigned	2.55%	0.00%

FINANCIAL INFORMATION

Total Fund Assets	\$301,858,539
Net Asset Value ¹	\$56.35

EXPENSE RATIO⁵

Current (net)	0.78%
Before Waiver (gross)	0.78%

MANAGER TEAM

The Fund is managed by the Equity Strategy Team, a group of senior-level investment professionals who average 35 years of experience.

ASSET ALLOCATION

Equities	98.7%
Cash	1.3%

PORTFOLIO CHARACTERISTICS

Weighted Avg. Mkt. Capitalization	\$20.6 Billion
Price/Earnings Ratio ⁶	31.4x
Number of Holdings	81

TOP TEN HOLDINGS⁴

1	iShares Russell MidCap Growth	2.5%
2	Factset Research Systems Inc	1.3%
3	Paychex Inc	1.3%
4	Entegris Inc	1.3%
5	Take-Two Interactive Software Inc	1.3%
6	Palo Alto Networks Inc	1.3%
7	Fleetcor Technologies Inc	1.3%
8	Tractor Supply Company	1.3%
9	Lamb Weston Holdings Inc	1.3%
10	Repligen Corporation	1.3%

LIPPER RANKINGS^{}**

Lipper Mid-Cap Growth Funds as of 9/30/21

1 Year	287 out of 367
5 Years	246 out of 312
10 Years	171 out of 247

MORNINGSTAR RATINGS^{*}**

Mid-Cap Growth Funds Category as of 9/30/21

Overall	★★★	out of 549 funds
3-Year	★★★	out of 549 funds
5-Year	★★★	out of 495 funds
10-Year	★★★	out of 386 funds



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NOTES

1. The Net Asset Value represents the assets of the Fund (ex dividend) divided by the total number of shares.
2. The Russell MidCap Growth Index is an unmanaged index that measures the performance of those Russell Midcap 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.
4. Fund holdings and allocations shown are unaudited, and may not be representative of current or future investments. Fund 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. Current and future holdings are subject to risk. Diversification does not protect an investor from market risk and does not ensure a profit.
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 Value, Growth, Bond, 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 March 1, 2022. After that date, the Adviser or a Fund may terminate the contractual arrangement. A Fund's total annual operating expenses may increase without shareholder approval. Percentages may not sum to 100% due to rounding.
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.

A basis point (bp) is equal to 1/100th of 1%, or 0.01% (0.0001). For example: 1% change = 100 basis points, and 0.01% = 1 basis point.

FOOTNOTES

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.

* Russell Midcap Growth Index

**** 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.**

*** 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.

**** The Morningstar Rating™ is calculated for funds with at least a 3-year history based on a risk-adjusted return measure that accounts for variation in a fund's monthly excess returns. Exchange-traded funds and open-ended mutual funds are considered a single population. In each category, the top 10% = 5 stars, next 22.5% = 4 stars, next 35% = 3 stars, next 22.5% = 2 stars, and bottom 10% = 1 star. Overall rating is derived from a weighted average of the returns associated with its 3-, 5-, and 10-year (if applicable) rating, excluding all sales charges. Weights are based on the # of months of total returns: 100% 3-year rating for 36-59 months, 60% 5-year rating/40% 3-year rating for 60-119 months, and 50% 10-year rating/30% 5-year rating/20% 3-year rating for 120 or more months. ©2021 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **Past performance does not guarantee future results, which may vary.**

A current Commerce Funds prospectus or additional information regarding

The Commerce Funds may be obtained by calling:

1-800-995-6365

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by visiting our website at:

www.commercefunds.com

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or by writing to:

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

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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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