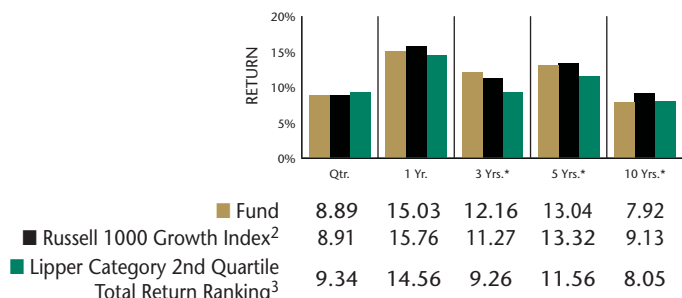


Fund Objective: Seeks capital appreciation. The Fund pursues this objective through investment in equity securities of companies with the potential for above-average growth in earnings.

TOTAL RETURNS (%) AS OF 3/31/17

Inception Date: 12/12/94



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

U.S. equity markets continued the post-election rally through the 1st quarter as prospects of lower corporate taxes, less regulation and a stronger economy gave investors hope that earnings growth will begin to accelerate over the coming years. However, investors rotated out of the value stocks, and into growth stocks in the Technology and Health Care sectors. The Commerce Growth Fund was up 8.89%, performing in line with the Russell 1000 Growth Index return of 8.91%.

Stock selection was the main contributor to the Fund's performance. The Fund's strongest stocks for the period were Panera Bread Company (1.06%), Philip Morris International (1.17%), and Mead Johnson Nutrition (0.00%), up 28%, 26%, and 24%, respectively. The weakest stocks were Kroger Co (1.19%), T. Rowe Price Group (1.04%), and Autozone Inc (0.00%), down 14%, 9%, and 8%, respectively.

Sector allocation had a negative impact on the Fund's performance. The Fund's 2.5% overweight to Consumer Non-Durables sector (up 6%) detracted from the Fund's performance. However, the Fund's 0% allocation to Energy sector (down 11%), benefited the Fund's performance.

During the quarter the Fund decreased its position in the Retail sector from 9.7% to 8.6%, with the sale of Autozone Inc. (0.00%).

SECTOR DIVERSIFICATION⁴ (%)

SECTOR	Fund	Index*	SECTOR	Fund	Index*
Technology Services	19.64%	18.87%	Distribution Services	0.93%	1.57%
Consumer Non-Durables	11.06%	8.01%	Health Services	1.23%	2.99%
Finance	9.96%	7.56%	Commercial Services	1.32%	1.81%
Retail Trade	8.63%	9.57%	Industrial Services	1.15%	0.38%
Electronic Technology	12.22%	13.15%	Communications	1.16%	1.10%
Health Technology	8.94%	11.80%	Transportation	1.18%	2.12%
Consumer Services	8.24%	10.46%	Consumer Durables	1.21%	1.94%
Producer Manufacturing	6.21%	4.71%	Energy Minerals	0.00%	0.37%
Process Industries	4.63%	3.21%	Non-Energy Minerals	0.00%	0.34%
Other	2.29%	0.00%	Utilities	0.00%	0.04%

* Russell 1000 Growth Index

FUND FACTS

Ticker Symbol:	CFGRX
CUSIP:	200626406

FINANCIAL INFORMATION

Total Fund Assets	\$100,989,529
Net Asset Value ¹	\$29.41

EXPENSE RATIO⁵

Current (net)	0.83%
Before Waiver (gross)	0.83%

MANAGER PROFILE

The Fund is managed by the Equity Strategy Team, a group of senior-level investment professionals who average 31 years of experience.

ASSET ALLOCATION

Equities	99.5%
Cash	0.5%

PORTFOLIO CHARACTERISTICS

Weighted Avg. Mkt. Capitalization	\$157.8 Billion
Price/Earnings Ratio ⁶	25.6x
Number of Holdings	79

TOP TEN HOLDINGS⁴

1. Apple Inc.	5.6%
2. Microsoft Corporation	3.8%
3. Alphabet Inc	3.5%
4. Amazon.com, Inc.	2.7%
5. Facebook, Inc.	2.4%
6. iShares Russell 1000 Growth ETF	1.8%
7. Walt Disney Company	1.4%
8. Home Depot, Inc.	1.4%
9. Johnson Controls International PLC	1.3%
10. Visa Inc	1.3%



LIPPER RANKINGS

Lipper Large-Cap Growth Funds as of 3/31/17

1 Year	286 out of 668
5 Years	108 out of 535 (top 21%)
10 Years	209 out of 385

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 3/31/17

Overall ★★★★★	out of 1306 funds
3-Year ★★★★★	out of 1306 funds
5-Year ★★★★★	out of 1154 funds
10-Year ★★★★★	out of 800 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.
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, 2018. 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.
7. 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.

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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