

A world of investing.®



Putnam Municipal Opportunities Trust

Semiannual report

10 | 31 | 23



Income funds invest in bonds and other securities with the goal of providing a steady stream of income over time.

FUND SYMBOL
PMO

Putnam Municipal Opportunities Trust

Semiannual report

10 | 31 | 23

Message from the Trustees	1
Your fund at a glance	2
Other information for shareholders	3
Important notice regarding Putnam’s privacy policy	4
Summary of dividend reinvestment plans	5
Trustee approval of management contracts	7
Financial statements	14

The fund has adopted a managed distribution policy (the “Distribution Policy”) with the goal of providing shareholders with a consistent, although not guaranteed, monthly distribution. In accordance with the Distribution Policy, the fund currently expects to make monthly distributions to common shareholders at a distribution rate per share of \$0.035. Distributions may include ordinary and/or tax-exempt income, net capital gains, and/or a return of capital of your investment in the fund. You should not draw any conclusions about the fund’s investment performance from the amount of this distribution or from the terms of the Distribution Policy. The Distribution Policy provides that the Board of Trustees may amend or terminate the Distribution Policy at any time without prior notice to fund shareholders.

Message from the Trustees

December 14, 2023

Dear Fellow Shareholder:

The U.S. economy has defied expectations of a recession in 2023, with the pace of growth picking up speed in the third quarter. At the same time, volatility in financial markets has increased. Stock prices fell in late summer and early fall. Bond prices also declined during this time, while yields, which move in the opposite direction, rose. In October 2023, the 10-year U.S. Treasury yield, a key benchmark for setting mortgage rates, briefly rose to near 5% for the first time since 2007. Yields then plunged during November and stock prices rallied as markets gained confidence that the Federal Reserve would not lift interest rates again in 2023.

Markets have been pressured by inflation, which has moderated but remains above the Fed's target rate of 2%. In its continuing effort to bring down inflation, the Fed has indicated short-term interest rates will remain high heading into next year. While the Fed's restrictive policy rates may keep the risk of recession alive in 2024, the U.S. economy may slow without contracting.

Your investment team is analyzing shifting market conditions, actively navigating risks, and identifying attractive opportunities for your fund. An update on your fund is in the report that follows.

Thank you for investing with Putnam.

Respectfully yours,



A handwritten signature in black ink that reads "Robert L. Reynolds".

Robert L. Reynolds
President and Chief Executive Officer
Putnam Investments



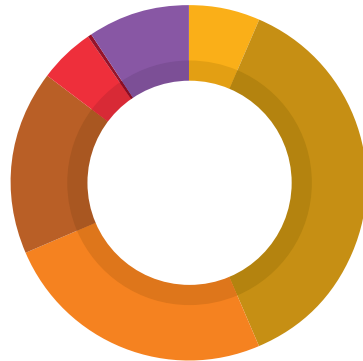
A handwritten signature in black ink that reads "Kenneth R. Leibler".

Kenneth R. Leibler
Chair, Board of Trustees

Your fund at a glance

Credit quality overview

● AAA	6.5%
● AA	37.2
● A	25.1
● BBB	16.8
● BB	5.1
● B	0.1
● Not rated	9.3



Credit qualities are shown as a percentage of the fund's net assets (common and preferred shares) as of 10/31/23. A bond rated BBB or higher (A-3 or higher, for short-term debt) is considered investment grade. This chart reflects the highest security rating provided by one or more of Standard & Poor's, Moody's, and Fitch. Ratings and portfolio credit quality will vary over time. Due to rounding, percentages may not equal 100%.

Cash and net other assets, if any, represent the market value weights of cash, derivatives, and short-term securities in the portfolio. The fund itself has not been rated by an independent rating agency.

CLOSED-END FUNDS OFFER DISTINCTIVE CHARACTERISTICS

Closed-end funds have some key characteristics that you should understand as you consider your portfolio strategies.

More assets at work Closed-end funds are typically fixed pools of capital that do not need to hold cash in connection with sales and redemptions, allowing the funds to keep more assets actively invested.

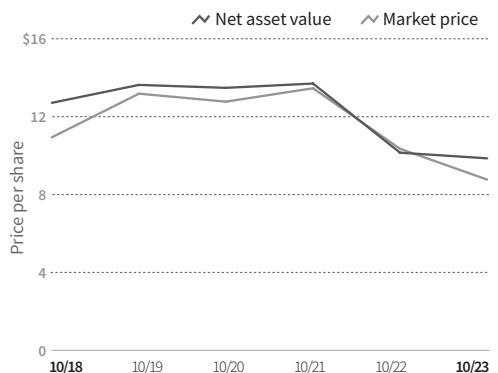
Traded like stocks Closed-end fund shares are traded on stock exchanges.

They have a market price A closed-end fund has a per-share net asset value (NAV) and a market price, which is how much you pay when you buy shares of the fund, and how much you receive when you sell them.

When looking at a closed-end fund's performance, you will usually see that the NAV and the market price differ. The market price can

be influenced by several factors that cause it to vary from the NAV, including fund distributions, changes in supply and demand for the fund's shares, changing market conditions, and investor perceptions of the fund or its investment manager.

Putnam Municipal Opportunities Trust



Other information for shareholders

Important notice regarding share repurchase program

In September 2023, the Trustees of your fund approved the renewal of a share repurchase program that had been in effect since 2005. This renewal allows your fund to repurchase, in the 365 days beginning October 1, 2023, up to 10% of the fund's common shares outstanding as of September 30, 2023.

Important notice regarding delivery of shareholder documents

In accordance with Securities and Exchange Commission (SEC) regulations, Putnam sends a single notice of internet availability, or a single printed copy, of annual and semi-annual shareholder reports, prospectuses, and proxy statements to Putnam shareholders who share the same address, unless a shareholder requests otherwise. If you prefer to receive your own copy of these documents, please call Putnam at 1-800-225-1581, and Putnam will begin sending individual copies within 30 days.

Proxy voting

Putnam is committed to managing our funds in the best interests of our shareholders. The Putnam funds' proxy voting guidelines and procedures, as well as information regarding how your fund voted proxies relating to portfolio securities during the 12-month period

ended June 30, 2023, are available in the Individual Investors section of putnam.com and on the SEC's website, www.sec.gov. If you have questions about finding forms on the SEC's website, you may call the SEC at 1-800-SEC-0330. You may also obtain the Putnam funds' proxy voting guidelines and procedures at no charge by calling Putnam's Shareholder Services at 1-800-225-1581.

Fund portfolio holdings

The fund will file a complete schedule of its portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-PORT within 60 days of the end of such fiscal quarter. Shareholders may obtain the fund's Form N-PORT on the SEC's website at www.sec.gov.

Trustee and employee fund ownership

Putnam employees and members of the Board of Trustees place their faith, confidence, and, most importantly, investment dollars in Putnam funds. As of October 31, 2023, Putnam employees had approximately \$466,000,000 and the Trustees had approximately \$64,000,000 invested in Putnam funds. These amounts include investments by the Trustees' and employees' immediate family members as well as investments through retirement and deferred compensation plans.

Important notice regarding Putnam's privacy policy

In order to conduct business with our shareholders, we must obtain certain personal information such as account holders' names, addresses, Social Security numbers, and dates of birth. Using this information, we are able to maintain accurate records of accounts and transactions.

It is our policy to protect the confidentiality of our shareholder information, whether or not a shareholder currently owns shares of our funds. In particular, it is our policy not to sell information about you or your accounts to outside marketing firms. We have safeguards in place designed to prevent unauthorized access

to our computer systems and procedures to protect personal information from unauthorized use.

Under certain circumstances, we must share account information with outside vendors who provide services to us, such as mailings and proxy solicitations. In these cases, the service providers enter into confidentiality agreements with us, and we provide only the information necessary to process transactions and perform other services related to your account. Finally, it is our policy to share account information with your financial representative, if you've listed one on your Putnam account.

Summary of Putnam closed-end funds' amended and restated dividend reinvestment plans

Putnam Managed Municipal Income Trust, Putnam Master Intermediate Income Trust, Putnam Municipal Opportunities Trust and Putnam Premier Income Trust (each, a "Fund" and collectively, the "Funds") each offer a **dividend reinvestment plan** (each, a "Plan" and collectively, the "Plans"). If you participate in a Plan, all income dividends and capital gain distributions are **automatically reinvested** in Fund shares by the Fund's agent, Putnam Investor Services, Inc. (the "Agent"). If you are not participating in a Plan, every month you will receive all dividends and other distributions in cash, paid by check and mailed directly to you or your intermediary.

Upon a purchase (or, where applicable, upon registration of transfer on the shareholder records of a Fund) of shares of a Fund by a registered shareholder, each such shareholder **will be deemed to have elected to participate** in that Fund's Plan. Each such shareholder will have all distributions by a Fund automatically reinvested in additional shares, unless such shareholder elects to terminate participation in a Plan by instructing the Agent to pay future distributions in cash. Shareholders who were not participants in a Plan as of January 31, 2010, will continue to receive distributions in cash but may enroll in a Plan at any time by contacting the Agent.

If you participate in a Fund's Plan, the Agent will automatically reinvest subsequent distributions, and the Agent will send you a confirmation in the mail telling you how many additional shares were issued to your account.

To change your enrollment status or to request additional information about the Plans, you may contact the Agent either in writing, at P.O. Box 8383, Boston, MA 02266-8383, or by telephone at 1-800-225-1581 during normal East Coast business hours.

How you acquire additional shares through a Plan If the market price per share for your Fund's shares (plus estimated brokerage

commissions) is greater than or equal to their net asset value per share on the payment date for a distribution, you will be issued shares of the Fund at a value equal to the higher of the net asset value per share on that date or 95% of the market price per share on that date.

If the market price per share for your Fund's shares (plus estimated brokerage commissions) is less than their net asset value per share on the payment date for a distribution, the Agent will buy Fund shares for participating accounts in the open market. The Agent will aggregate open-market purchases on behalf of all participants, and the average price (including brokerage commissions) of all shares purchased by the Agent will be the price per share allocable to each participant. The Agent will generally complete these open-market purchases within five business days following the payment date. If, before the Agent has completed open-market purchases, the market price per share (plus estimated brokerage commissions) rises to exceed the net asset value per share on the payment date, then the purchase price may exceed the net asset value per share, potentially resulting in the acquisition of fewer shares than if the distribution had been paid in newly issued shares.

How to withdraw from a Plan Participants may withdraw from a Fund's Plan at any time by notifying the Agent, either in writing or by telephone. Such withdrawal will be effective immediately if notice is received by the Agent with sufficient time prior to any distribution record date; otherwise, such withdrawal will be effective with respect to any subsequent distribution following notice of withdrawal. There is no penalty for withdrawing from or not participating in a Plan.

Plan administration The Agent will credit all shares acquired for a participant under a Plan to the account in which the participant's common shares are held. Each participant will

be sent reasonably promptly a confirmation by the Agent of each acquisition made for his or her account.

About brokerage fees Each participant pays a proportionate share of any brokerage commissions incurred if the Agent purchases additional shares on the open market, in accordance with the Plans. There are no brokerage charges applied to shares issued directly by the Funds under the Plans.

About taxes and Plan amendments

Reinvesting dividend and capital gain distributions in shares of the Funds does not relieve you of tax obligations, which are the same as if you had received cash distributions. The Agent supplies tax information to you and to the IRS annually. Each Fund reserves the right to amend or terminate its Plan upon 30 days' written notice. However, the Agent may assign its rights, and delegate its duties, to a successor agent with the prior

consent of a Fund and without prior notice to Plan participants.

If your shares are held in a broker or nominee name

If your shares are held in the name of a broker or nominee offering a dividend reinvestment service, consult your broker or nominee to ensure that an appropriate election is made on your behalf. If the broker or nominee holding your shares does not provide a reinvestment service, you may need to register your shares in your own name in order to participate in a Plan.

In the case of record shareholders such as banks, brokers or nominees that hold shares for others who are the beneficial owners of such shares, the Agent will administer the Plan on the basis of the number of shares certified by the record shareholder as representing the total amount registered in such shareholder's name and held for the account of beneficial owners who are to participate in the Plan.

Trustee approval of management contracts

Consideration of your fund's new and interim management and sub-management contracts

At their meeting on June 23, 2023, the Board of Trustees of your fund, including all of the Trustees who are not “interested persons” (as this term is defined in the Investment Company Act of 1940, as amended (the “1940 Act”)) of the Putnam mutual funds, closed-end funds and exchange-traded funds (collectively, the “funds”) (the “Independent Trustees”) approved, subject to approval by your fund’s shareholders, a new management contract with Putnam Investment Management (“Putnam Management”) and a new sub-management contract between Putnam Management and its affiliate, Putnam Investments Limited (“PIL”) (collectively, the “New Management Contracts”). The Trustees considered the proposed New Management Contracts in connection with the planned acquisition of Putnam U.S. Holdings I, LLC (“Putnam Holdings”) by a subsidiary of Franklin Resources, Inc. (“Franklin Templeton”). The Trustees considered that, on May 31, 2023, Franklin Templeton and Great-West Lifeco Inc., the parent company of Putnam Holdings, announced that they had entered into a definitive agreement for a subsidiary of Franklin Templeton to acquire Putnam Holdings in a stock and cash transaction (the “Transaction”). The Trustees noted that Putnam Holdings was the parent company of Putnam Management and PIL. The Trustees were advised that the Transaction would result in a “change of control” of Putnam Management and PIL and would cause your fund’s current Management Contract with Putnam Management and Sub-Management Contract with PIL (collectively, the “Current Management Contracts”) to terminate in accordance with the 1940 Act. The Trustees considered that the New Management Contracts would take effect upon the closing of the Transaction, which was expected to occur in the fourth quarter of 2023.

In addition to the New Management Contracts, the Trustees also approved interim management and sub-management contracts with Putnam Management and PIL, respectively (the “Interim Management Contracts”), which would take effect in the event that for any reason shareholder approval of a New Management Contract was not received by the time of the Transaction closing. The Trustees considered that each Interim Management Contract that became

effective would remain in effect until shareholders approved the proposed New Management Contract, or until 150 days elapse after the closing of the Transaction, whichever occurred first. The considerations and conclusions discussed in connection with the Trustees’ consideration of the New Management Contracts and the continuance of your fund’s Current Management Contracts also apply to the Trustees’ consideration of the Interim Management Contracts, supplemented by consideration of the terms, nature and reason for any Interim Management Contract.

The Independent Trustees met with their independent legal counsel, as defined in Rule 0–1(a)(6) under the 1940 Act (their “independent legal counsel”), and representatives of Putnam Management and its parent company, Power Corporation of Canada, to discuss the potential Transaction, including the timing and structure of the Transaction and its implications for Putnam Management and the funds, during their regular meeting on November 18, 2022, and the full Board of Trustees further discussed these matters with representatives of Putnam Management at its regular meeting on December 15, 2022. At a special meeting on December 20, 2022, the full Board of Trustees met with representatives of Putnam Management, Power Corporation of Canada and Franklin Templeton to further discuss the potential Transaction, including Franklin Templeton’s strategic plans for Putnam Management’s asset management business and the funds, potential sources of synergy between Franklin Templeton and Putnam Management, potential areas of partnership between Power Corporation of Canada and Franklin Templeton, Franklin Templeton’s distribution capabilities, Franklin Templeton’s existing service provider relationships and Franklin Templeton’s recent acquisitions of other asset management firms.

In order to assist the Independent Trustees in their consideration of the New Management Contracts and other anticipated impacts of the Transaction on the funds and their shareholders, independent legal counsel for the Independent Trustees furnished an initial information request to Franklin Templeton (the “Initial Franklin Request”). At a special meeting of the full Board of Trustees held on January 25, 2023, representatives of Franklin Templeton addressed the firm’s responses to the Initial Franklin Request. At the

meeting, representatives of Franklin Templeton discussed, among other things, the business and financial condition of Franklin Templeton and its affiliates, Franklin Templeton's U.S. registered fund operations, its recent acquisition history, Franklin Templeton's intentions regarding the operation of Putnam Management and the funds following the completion of the potential Transaction and expected benefits to the funds and Putnam Management that might result from the Transaction.

The Board of Trustees actively monitored developments with respect to the potential Transaction throughout the period leading up to the public announcement of a final sale agreement on May 31, 2023. The Independent Trustees met to discuss these matters at their regular meetings on January 27, April 20 and May 19, 2023. The full Board of Trustees also discussed developments at their regular meeting on February 23, 2023. Following the public announcement of the Transaction on May 31, 2023, independent legal counsel for the Independent Trustees furnished a supplemental information request (the "Supplemental Franklin Request") to Franklin Templeton. At the Board of Trustees' regular in-person meeting held on June 22–23, 2023, representatives of Putnam Management and Power Corporation of Canada provided further information regarding, among other matters, the final terms of the Transaction and efforts undertaken to retain Putnam employees. The Contract Committee of the Board of Trustees also met on June 22, 2023 to discuss Franklin Templeton's responses to the Supplemental Franklin Request. Mr. Reynolds, the only Trustee affiliated with Putnam Management, participated in portions of these meetings to provide the perspective of the Putnam organization, but did not otherwise participate in the deliberations of the Independent Trustees or the Contract Committee regarding the potential Transaction.

After the presentations and after reviewing the written materials provided, the Independent Trustees met at their in-person meeting on June 23, 2023 to consider the New Management Contracts for each fund, proposed to become effective upon the closing of the Transaction, and the filing of a preliminary proxy statement. At this meeting and throughout the process, the Independent Trustees also received advice from

their independent legal counsel regarding their responsibilities in evaluating the potential Transaction and the New Management Contracts. The Independent Trustees reviewed the terms of the proposed New Management Contracts and the differences between the New Management Contracts and the Current Management Contracts. They noted that the terms of the proposed New Management Contracts were identical to the Current Management Contracts, except for the effective dates and initial terms.

In considering the approval of the proposed New Management Contracts, the Board of Trustees took into account a number of factors, including:¹

- (i) Franklin Templeton's and Putnam Management's belief that the Transaction would not adversely affect the funds or their shareholders and their belief that the Transaction was likely to result in certain benefits (described below) for the funds and their shareholders;
- (ii) That Franklin Templeton did not intend to make any material change in Putnam Management's senior investment professionals (other than certain changes related to reporting structure and organization of personnel discussed below), including the portfolio managers of the funds, or to the firm's operating locations as a result of the Transaction;
- (iii) That Franklin Templeton intended for Putnam Management's equity investment professionals to continue to operate largely independently from Franklin Templeton, reporting to Franklin Templeton's Head of Public Markets following the Transaction;
- (iv) That, while Putnam Management's organizational structure was not expected to change immediately following the Transaction, Franklin Templeton intended to revise Putnam Management's reporting structure in order to include Putnam Management's fixed income investment professionals in Franklin Templeton's fixed income group and to include Putnam Management's Global Asset Allocation ("GAA") investment professionals in Franklin Templeton's investment solutions group, with both Franklin Templeton groups reporting to Franklin Templeton's Head of Public Markets;
- (v) Franklin Templeton's expectation that there would not be any changes in the investment

¹All subsequent references to Putnam Management describing the Board of Trustees' considerations should be deemed to include references to PIL as necessary or appropriate in the context.

objectives, strategies or portfolio holdings of the funds as a result of the Transaction;

(vi) That neither Franklin Templeton nor Putnam Management had any current plans to propose changes to the funds' existing management fees or expense limitations;

(vii) Franklin Templeton's and Putnam Management's representations that, following the Transaction, there was not expected to be any diminution in the nature, quality and extent of services provided to the funds and their shareholders by Putnam Management and PIL, including compliance and other non-advisory services;

(viii) That Franklin Templeton did not currently plan to change the branding of the funds or to change the lineup of funds in connection with the Transaction but would continue to evaluate how best to position the funds in the market;

(ix) The possible benefits accruing to the funds and their shareholders as a result of the Transaction, including:

- a. That the scale of Franklin Templeton's investment operations platform would increase the investment and operational resources available to the funds;
- b. That the Putnam open-end funds would benefit from Franklin Templeton's large retail and institutional global distribution capabilities and significant network of intermediary relationships, which may provide additional opportunities for the funds to increase assets and reduce expenses by spreading expenses over a larger asset base; and
- c. Potential benefits to shareholders of the Putnam open-end funds that could result from the alignment of certain fund features and shareholder benefits with those of other funds sponsored by Franklin Templeton and its affiliates and access to a broader array of investment opportunities;

(x) The financial strength, reputation, experience and resources of Franklin Templeton and its investment advisory subsidiaries;

(xi) Franklin Templeton's expectation that the Transaction would not impact the capabilities or responsibilities of Putnam Management's Investment Division (other than any impact related to reporting structure changes for Putnam Management's equity, fixed income and GAA investment groups and to including Putnam Management's

fixed income and GAA investment professionals in existing Franklin Templeton investment groups, as discussed above) and that any changes to the Investment Division over the longer term would be made in order to achieve perceived operational efficiencies or improvements to the portfolio management process;

(xii) Franklin Templeton's commitment to maintaining competitive compensation arrangements to allow Putnam Management to continue to attract and retain highly qualified personnel and Putnam Management's and Franklin Templeton's efforts to retain personnel, including efforts implemented since the Transaction was announced;

(xiii) That the current senior management teams at Putnam Management and Power Corporation of Canada had indicated their strong support of the Transaction and that Putnam Management had recommended that the Board of Trustees approve the New Management Contracts; and

(xiv) Putnam Management's and Great-West Lifeco Inc.'s commitment to bear all expenses incurred by the funds in connection with the Transaction, including all costs associated with the proxy solicitation in connection with seeking shareholder approval of the New Management Contracts.

Finally, in considering the proposed New Management Contracts, the Board of Trustees also took into account their concurrent deliberations and conclusions, as described below, in connection with their annual review of the funds' Current Management Contracts and the approval of their continuance, effective July 1, 2023, and the extensive materials that they had reviewed in connection with that review process.

Based upon the foregoing considerations, on June 23, 2023, the Board of Trustees, including all of the Independent Trustees, unanimously approved the proposed New Management Contracts and determined to recommend their approval to the shareholders of the funds.

General conclusions — Current Management Contracts

The Board of Trustees oversees the management of each fund and, as required by law, determines annually whether to approve the continuance of your fund's management contract with Putnam Management and the sub-management contract with respect to your fund between Putnam Management and PIL. (Because PIL is an affiliate of

Putnam Management and Putnam Management remains fully responsible for all services provided by PIL, the Trustees did not attempt to evaluate PIL as a separate entity.) The Board of Trustees, with the assistance of its Contract Committee, requests and evaluates all information it deems reasonably necessary under the circumstances in connection with its annual contract review. The Contract Committee consists solely of Independent Trustees.

At the outset of the review process, members of the Board of Trustees' independent staff and independent legal counsel considered any possible changes to the annual contract review materials furnished to the Contract Committee during the course of the previous year's review and, as applicable, identified those changes to Putnam Management. Following these discussions and in consultation with the Contract Committee, the Independent Trustees' independent legal counsel requested that Putnam Management and its affiliates furnish specified information, together with any additional information that Putnam Management considered relevant, to the Contract Committee. Over the course of several months ending in June 2023, the Contract Committee met on a number of occasions with representatives of Putnam Management, and separately in executive session, to consider the information that Putnam Management provided. Throughout this process, the Contract Committee was assisted by the members of the Board of Trustees' independent staff and by independent legal counsel for the funds and the Independent Trustees.

At the Board of Trustees' June 2023 meeting, the Contract Committee met in executive session to discuss and consider its recommendations with respect to the continuance of the contracts. At that meeting, the Contract Committee also met in executive session with the other Independent Trustees to review a summary of the key financial, performance and other data that the Contract Committee considered in the course of its review. The Contract Committee recommended, and the Independent Trustees approved, the continuance of your fund's Current Management Contracts, effective July 1, 2023, and the approval of your fund's New Management Contracts and Interim Management Contracts, as discussed above.

The Independent Trustees' approvals were based on the following conclusions:

- That the fee schedule in effect for your fund represented reasonable compensation in light

of the nature and quality of the services being provided to the fund, the fees paid by competitive funds and the costs incurred by Putnam Management in providing services to the fund; and

- That the fee schedule in effect for your fund represented an appropriate sharing between fund shareholders and Putnam Management of any economies of scale as may exist in the management of the fund at current asset levels.

These conclusions were based on a comprehensive consideration of all information provided to the Trustees and were not the result of any single factor. Some of the factors that figured particularly in the Trustees' deliberations and how the Trustees considered these factors are described below, although individual Trustees may have evaluated the information presented differently, giving different weights to various factors. It is also important to recognize that the management arrangements for your fund and the other Putnam mutual funds and closed-end funds are the result of many years of review and discussion between the Independent Trustees and Putnam Management, that some aspects of the arrangements may receive greater scrutiny in some years than others and that the Trustees' conclusions may be based, in part, on their consideration of fee arrangements in previous years. The Trustees also took into account their concurrent deliberations and conclusions, and the materials that they had reviewed, in connection with their approval on June 23, 2023 of the Interim Management Contracts and the New Management Contracts, which had been proposed in light of the Transaction (which would cause the fund's Current Management Contracts to terminate in accordance with applicable law or the terms of each contract).

Management fee schedules and total expenses

The Trustees reviewed the management fee schedules in effect for all funds, including fee levels and any breakpoints. Under its management contract, your fund has the benefit of breakpoints in its management fee schedule that provide shareholders with reduced fee rates as the fund's assets under management increase. The Trustees noted, however, that since closed-end funds typically do not change materially in size through the sale or redemption of shares, these are not likely to have a meaningful impact. The Trustees also reviewed the total expenses of each Putnam fund, recognizing that in most

cases management fees represented the major, but not the sole, determinant of total costs to fund shareholders.

In reviewing fees and expenses, the Trustees generally focus their attention on material changes in circumstances — for example, changes in assets under management, changes in a fund’s investment strategy, changes in Putnam Management’s operating costs or profitability, or changes in competitive practices in the fund industry — that suggest that consideration of fee changes might be warranted. The Trustees concluded that the circumstances did not indicate that changes to the management fee schedule for your fund would be appropriate at this time.

The Trustees reviewed comparative fee and expense information for a custom group of competitive funds selected by Broadridge Financial Solutions, Inc. (“Broadridge”). This comparative information included your fund’s percentile ranking for effective management fees and total expenses, which provides a general indication of your fund’s relative standing. In the custom peer group, your fund ranked in the first quintile in effective management fees (determined for your fund and the other funds in the custom peer group based on fund asset size and the applicable contractual management fee schedule) and in the fourth quintile in total expenses as of December 31, 2022. The first quintile represents the least expensive funds and the fifth quintile the most expensive funds. The fee and expense data reported by Broadridge as of December 31, 2022 reflected the most recent fiscal year-end data available in Broadridge’s database at that time.

In connection with their review of fund management fees and total expenses, the Trustees also reviewed the costs of the services provided and the profits realized by Putnam Management and its affiliates from their contractual relationships with the funds. This information included trends in revenues, expenses and profitability of Putnam Management and its affiliates relating to the investment management and investor services provided to the funds, as applicable. In this regard, the Trustees also reviewed an analysis of the revenues, expenses and profitability of Putnam Management and its affiliates, allocated on a fund-by-fund basis, with respect to (as applicable) the funds’ management and investor servicing contracts. For each fund, the analysis presented information about revenues, expenses and profitability in 2022 for each of the applicable

agreements separately and for the agreements taken together on a combined basis. The Trustees concluded that, at current asset levels, the fee schedules in place for each of the funds, including the fee schedule for your fund, represented reasonable compensation for the services being provided and represented an appropriate sharing between fund shareholders and Putnam Management of any economies of scale as may exist in the management of the funds at that time.

The information examined by the Trustees in connection with their annual contract review for the funds included information regarding services provided and fees charged by Putnam Management and its affiliates to other clients, including collective investment trusts offered in the defined contribution and defined benefit retirement plan markets, sub-advised mutual funds, private funds sponsored by affiliates of Putnam Management, model-only separately managed accounts and Putnam Management’s manager-traded separately managed account programs. This information included, in cases where a product’s investment strategy corresponds with a fund’s strategy, comparisons of those fees with fees charged to the funds, as well as an assessment of the differences in the services provided to these clients as compared to the services provided to the funds. The Trustees observed that the differences in fee rates between these clients and the funds are by no means uniform when examined by individual asset sectors, suggesting that differences in the pricing of investment management services to these types of clients may reflect, among other things, historical competitive forces operating in separate marketplaces. The Trustees considered the fact that in many cases fee rates across different asset classes are higher on average for 1940 Act-registered funds than for other clients, and the Trustees also considered the differences between the services that Putnam Management provides to the funds and those that it provides to its other clients. The Trustees did not rely on these comparisons to any significant extent in concluding that the management fees paid by your fund are reasonable.

Investment performance

The quality of the investment process provided by Putnam Management represented a major factor in the Trustees’ evaluation of the quality of services provided by Putnam Management under your fund’s management contract. The Trustees were assisted in their review of Putnam

Management’s investment process and performance by the work of the investment oversight committees of the Trustees and the full Board of Trustees, which meet on a regular basis with individual portfolio managers and with senior management of Putnam Management’s Investment Division throughout the year. The Trustees concluded that Putnam Management generally provides a high-quality investment process — based on the experience and skills of the individuals assigned to the management of fund portfolios, the resources made available to them and in general Putnam Management’s ability to attract and retain high-quality personnel — but also recognized that this does not guarantee favorable investment results for every fund in every time period.

The Trustees considered that, in the aggregate, peer-relative and benchmark-relative Putnam fund performance was generally encouraging in 2022 against a backdrop of volatile equity and fixed income markets, driven by factors such as Russia’s invasion of Ukraine, increased tensions with China, disruptions in energy markets and broader supply chains, rising inflation and the significant tightening of monetary policy by the Board of Governors of the Federal Reserve in an effort to combat inflation. The Trustees further noted that, in the face of these numerous economic headwinds, corporate earnings and employment data had been generally robust throughout 2022. For the one-year period ended December 31, 2022, the Trustees noted that the Putnam funds, on an asset-weighted basis, ranked in the 41st percentile of their peers as determined by Lipper Inc. (“Lipper”) and, on an asset-weighted-basis, outperformed their benchmarks by 1.3% gross of fees over the one-year period. The Committee also noted that the funds’ aggregate performance over longer-term periods continued to be strong, with the funds, on an asset-weighted basis, ranking in the 34th, 27th and 22nd percentiles of their Lipper peers over the three-year, five-year and ten-year periods ended December 31, 2022, respectively. The Trustees further noted that the funds, in the aggregate, outperformed their benchmarks on a gross basis for each of the three-year, five-year and ten-year periods. The Trustees also considered the Morningstar Inc. ratings assigned to the funds and that 40 funds were rated four or five stars at the end of 2022, which represented an increase of 15 funds year-over-year. The Trustees also considered that seven funds were five-star rated at the end of

2022, which was a year-over-year decrease of two funds, and that 83% of the funds’ aggregate assets were in four- or five-star rated funds at year end.

In addition to the performance of the individual Putnam funds, the Trustees considered, as they had in prior years, the performance of The Putnam Fund complex versus competitor fund complexes, as reported in the Barron’s/Lipper Fund Families survey (the “Survey”). The Trustees noted that the Survey ranks mutual fund companies based on their performance across a variety of asset types, and that The Putnam Fund complex had performed exceptionally well in 2022. In this regard, the Trustees considered that the funds had ranked 9th out of 49 fund companies, 3rd out of 49 fund companies and 2nd out of 47 fund companies for the one-year, five-year and ten-year periods, respectively. The Trustees also noted that The Putnam Fund complex had been the only fund family to rank in the top ten in all three time periods. They also noted, however, the disappointing investment performance of some Putnam funds for periods ended December 31, 2022 and considered information provided by Putnam Management regarding the factors contributing to the underperformance and, where relevant, actions being taken to improve the performance of these particular funds. The Trustees indicated their intention to continue to monitor the performance of those funds.

For purposes of the Trustees’ evaluation of the Putnam funds’ investment performance, the Trustees generally focus on a competitive industry ranking of each fund’s total net return over a one-year, three-year and five-year period. For a number of Putnam funds with relatively unique investment mandates for which Putnam Management informed the Trustees that meaningful competitive performance rankings are not considered to be available, the Trustees evaluated performance based on their total gross and net returns and comparisons of those returns to the returns of selected investment benchmarks. In the case of your fund, the Trustees considered that its common share cumulative total return performance at net asset value was in the following quartiles of its Lipper peer group (Lipper General & Insured Municipal Debt Funds (Leveraged) (closed-end)) for the one-year, three-year and five-year periods ended December 31, 2022 (the first quartile representing the best-performing funds and the fourth quartile the worst-performing funds):

One-year period	2nd
Three-year period	1st
Five-year period	1st

Over the one-year, three-year and five-year periods ended December 31, 2022, there were 57, 52 and 48 funds, respectively, in your fund’s Lipper peer group. (When considering performance information, shareholders should be mindful that past performance is not a guarantee of future results.)

The Trustees also considered Putnam Management’s continued efforts to support fund performance through certain initiatives, including structuring compensation for portfolio managers to enhance accountability for fund performance, emphasizing accountability in the portfolio management process and affirming its commitment to a fundamental-driven approach to investing.

Brokerage and soft-dollar allocations; investor servicing

The Trustees considered various potential benefits that Putnam Management may receive in connection with the services it provides under the management contract with your fund. These include benefits related to brokerage allocation and the use of soft dollars, whereby a portion of the commissions paid by a fund for brokerage may be used to acquire research services that are expected to be useful to Putnam Management in managing the assets of the fund and of other clients. Subject to policies established by the Trustees, soft dollars generated by these means

are used predominantly to acquire brokerage and research services (including third-party research and market data) that enhance Putnam Management’s investment capabilities and supplement Putnam Management’s internal research efforts. The Trustees indicated their continued intent to monitor regulatory and industry developments in this area with the assistance of their Brokerage Committee. In addition, with the assistance of their Brokerage Committee, the Trustees indicated their continued intent to monitor the allocation of the funds’ brokerage in order to ensure that the principle of seeking best price and execution remains paramount in the portfolio trading process.

Putnam Management may also receive benefits from payments made to Putnam Management’s affiliate by the closed-end funds for investor services. In conjunction with the review of your fund’s management and sub-management contracts, the Trustees reviewed your fund’s investor servicing agreement with Putnam Investor Services, Inc. (“PSERV”), which is an affiliate of Putnam Management. The Trustees concluded that the fees payable by the closed-end funds to PSERV for such services were fair and reasonable in relation to the nature and quality of such services, the fees paid by competitive funds and the costs incurred by PSERV in providing such services. Furthermore, the Trustees were of the view that the investor services provided by PSERV were required for the operation of the closed-end funds, and that they were of a quality at least equal to those provided by other providers.

Financial statements

These sections of the report, as well as the accompanying Notes, constitute the fund's financial statements.

The fund's portfolio lists all the fund's investments and their values as of the last day of the reporting period. Holdings are organized by asset type and industry sector, country, or state to show areas of concentration and diversification.

Statement of assets and liabilities shows how the fund's net assets and share price are determined. All investment and non-investment assets are added together. Any unpaid expenses and other liabilities are subtracted from this total. The result is divided by the number of shares to determine the net asset value per share, which is calculated separately for each class of shares. (For funds with preferred shares, the amount subtracted from total assets includes the liquidation preference of preferred shares.)

Statement of operations shows the fund's net investment gain or loss. This is done by first adding up all the fund's earnings — from dividends and interest income — and subtracting its operating expenses to determine net investment income (or loss). Then, any net gain or loss the fund realized on the sales of its holdings — as well as any unrealized gains or losses over the period — is added to or subtracted from the net investment result to determine the fund's net gain or loss for the fiscal period.

Statement of changes in net assets shows how the fund's net assets were affected by the fund's net investment gain or loss, by distributions to shareholders, and by changes in the number of the fund's shares. It lists distributions and their sources (net investment income or realized capital gains) over the current reporting period and the most recent fiscal year-end. The distributions listed here may not match the sources listed in the Statement of operations because the distributions are determined on a tax basis and may be paid in a different period from the one in which they were earned. Dividend sources are estimated at the time of declaration. Actual results may vary. Any non-taxable return of capital cannot be determined until final tax calculations are completed after the end of the fund's fiscal period. Dividend sources are estimated at the time of declaration. Actual results may vary. Any non-taxable return of capital cannot be determined until final tax calculations are completed after the end of the fund's fiscal period.

Financial highlights provide an overview of the fund's investment results, per-share distributions, expense ratios, net investment income ratios, and portfolio turnover (not required for money market funds) in one summary table, reflecting the five most recent reporting periods. In a semiannual report, the highlights table also includes the current reporting period.

The fund's portfolio 10/31/23 (Unaudited)

Key to holding's abbreviations

AGM Assured Guaranty Municipal Corporation

AMBAC AMBAC Indemnity Corporation

BAM Build America Mutual

COP Certificates of Participation

FHA Insd. Federal Housing Administration Insured

G.O. Bonds General Obligation Bonds

NATL National Public Finance Guarantee Corporation

PSFG Permanent School Fund Guaranteed

Q-SBLF Qualified School Board Loan Fund

MUNICIPAL BONDS AND NOTES (147.1%)*	Rating**	Principal amount	Value
Alabama (1.3%)			
Jefferson Cnty., Swr. Rev. Bonds, Ser. D, 6.50%, 10/1/53	BBB	\$2,000,000	\$2,077,886
Jefferson, Cnty. Rev. Bonds, (Refunding warrants) 5.00%, 9/15/34	AA+	2,075,000	2,104,394
5.00%, 9/15/33	AA+	275,000	278,903
			4,461,183
Alaska (1.5%)			
AK State Inld. Dev. & Export Auth. Rev. Bonds, (Dena' Nena' Henash), 4.00%, 10/1/44	A+/F	6,050,000	4,964,945
			4,964,945
Arizona (6.4%)			
AZ Inld. Dev. Auth. Student Hsg. Rev. Bonds, (NCCU Properties, LLC Central U.), BAM, 5.00%, 6/1/49	AA	2,000,000	1,932,326
AZ State Inld. Dev. Auth. Charter School Rev. Bonds, (Equitable School Revolving Fund, LLC), 4.00%, 11/1/46	A	2,855,000	2,267,895
AZ State Inld. Dev. Auth. Ed. Rev. Bonds, (KIPP New York, Inc., Jerome Fac.), Ser. B 4.00%, 7/1/61	BBB-	1,380,000	977,117
4.00%, 7/1/41	BBB-	720,000	595,541
AZ State Inld. Dev. Auth. Ed. 144A Rev. Bonds, (BASIS Schools, Inc.), Ser. D, 5.00%, 7/1/51	BB	510,000	417,355
AZ State Inld. Dev. Auth. National Charter School Revolving Loan Fund Rev. Bonds, (Equitable School Revolving Fund, LLC), 5.00%, 11/1/47	A	2,900,000	2,694,835
Maricopa Cnty., Inld. Dev. Auth. Ed. Rev. Bonds (Reid Traditional Schools Painted Rock Academy), 5.00%, 7/1/36	Baa3	350,000	338,761
(Horizon Cmnty. Learning Ctr.), 5.00%, 7/1/35	BB+	750,000	684,241
Phoenix, Inld. Dev. Auth. Ed. Rev. Bonds, (Great Hearts Academies), 3.75%, 7/1/24	BBB	100,000	98,885
Phoenix, Inld. Dev. Auth. Ed. 144A Rev. Bonds, (BASIS Schools, Inc.), 5.00%, 7/1/35	BB	1,000,000	949,040
Pima Cnty., Inld. Dev. Auth. Sr. Living 144A Rev. Bonds, (La Posada at Park Centre, Inc.) 7.00%, 11/15/57	BBB+/P	350,000	336,855
6.25%, 11/15/35	BBB+/P	1,750,000	1,708,107
Salt River Project Agricultural Impt. & Pwr. Dist. Elec. Syst. Rev. Bonds, Ser. A, 5.00%, 1/1/50	Aa1	5,460,000	5,567,454

MUNICIPAL BONDS AND NOTES (147.1%)* cont.	Rating**	Principal amount	Value
Arizona cont.			
Salt Verde, Fin. Corp. Gas Rev. Bonds, 5.50%, 12/1/29	A3	\$1,350,000	\$1,381,002
Yavapai Cnty., Inld. Dev. Auth. Hosp. Fac. Rev. Bonds, (Yavapai Regl. Med. Ctr.), 5.00%, 8/1/34	A2	500,000	505,174
			20,454,588
California (15.7%)			
Bay Area Toll Auth. Bridge Rev. Bonds, Ser. S-8, BAM, 3.00%, 4/1/54	AA	4,000,000	2,620,153
CA Cmnty. Hsg. Agcy. Essential Hsg. 144A Rev. Bonds, (Aster Apt.), Ser. A-1, 4.00%, 2/1/56	BB+/P	550,000	409,474
CA Hsg. Fin. Agcy. Muni. Certif. Rev. Bonds, Ser. 21-1, Class A, 3.50%, 11/20/35	BBB+	2,019,174	1,748,793
CA State Hlth. Fac. Fin. Auth. Rev. Bonds, (Cedars-Sinai Med. Ctr.), Ser. A, 3.00%, 8/15/51	Aa3	7,565,000	5,187,989
CA State Muni. Fin. Auth. Rev. Bonds, (HumanGood CA), 4.00%, 10/1/49	A-/F	2,700,000	2,094,623
CA Statewide Cmnty. Dev. Auth. Rev. Bonds, (Front Porch Cmnty. & Svcs. Oblig. Group), Ser. A, 3.00%, 4/1/51	A-	3,440,000	2,122,928
CSCDA Cmnty. Impt. Auth. Rev. Bonds, (Pasadena Portfolio), Ser. A-2, 3.00%, 12/1/56	BBB-/P	2,635,000	1,570,558
CSCDA Cmnty. Impt. Auth. 144A Rev. Bonds (Anaheim), 4.00%, 8/1/56	BB/P	2,870,000	1,962,953
(Jefferson-Anaheim), 3.125%, 8/1/56	BB+/P	1,425,000	874,556
(City of Orange Portfolio), 3.00%, 3/1/57	BBB-/P	650,000	386,742
(Essential Hsg.), Ser. A-2, 3.00%, 2/1/57	BBB-/P	1,900,000	1,127,298
Long Beach, Arpt. Syst. Rev. Bonds, Ser. C, AGM 5.25%, 6/1/47	AA	1,250,000	1,245,538
5.00%, 6/1/42	AA	750,000	727,675
Los Angeles, Cmnty. Fac. Dist. No. 11 Special Tax, 4.00%, 9/1/38	BB/P	1,000,000	844,850
Los Angeles, Dept. of Arpt. Rev. Bonds, 4.00%, 5/15/36	Aa3	500,000	459,404
Regents of the U. of CA Med. Ctr. (The) Rev. Bonds, Ser. P 5.00%, 5/15/42	Aa3	8,170,000	8,425,513
5.00%, 5/15/41	Aa3	10,090,000	10,445,709
San Diego Cnty., COP, 5.00%, 10/1/46	Aa1	2,150,000	2,218,154
San Francisco, City & Cnty. Arpt. Comm. Intl. Arpt. Rev. Bonds, Ser. C, 5.50%, 5/1/39##	A1	5,765,000	5,981,162
			50,454,072
Colorado (5.0%)			
CO State Hlth. Fac. Auth. Rev. Bonds, (Covenant Retirement Cmnty.), Ser. A, 5.00%, 12/1/35	A-/F	1,000,000	959,171
CO State Hlth. Fac. Auth. Hosp. Rev. Bonds (Christian Living Neighborhood), 5.00%, 1/1/37	BB/P	550,000	498,056
(Covenant Living Cmnty. and Svcs. Oblig. Group), 4.00%, 12/1/50	A-/F	2,700,000	1,932,260
Denver City & Cnty., Arpt. Rev. Bonds, Ser. A 5.50%, 11/15/38	Aa3	1,500,000	1,569,731
5.50%, 11/15/35	Aa3	1,500,000	1,594,360

MUNICIPAL BONDS AND NOTES (147.1%)* cont.	Rating**	Principal amount	Value
Colorado cont.			
Denver City & Cnty., Arpt. Rev. Bonds, Ser. A			
5.00%, 11/15/37	Aa3	\$1,025,000	\$1,023,562
4.125%, 11/15/47	Aa3	5,000,000	4,114,456
Pub. Auth. for CO Energy Rev. Bonds, (Natural Gas Purchase), 6.50%, 11/15/38	A1	2,250,000	2,488,345
Regl. Trans. Dist. Rev. Bonds, (Denver Transit Partners, LLC)			
4.00%, 7/15/38	Baa1	800,000	709,086
3.00%, 7/15/37	Baa1	850,000	654,231
Sterling Ranch Cmnty. Auth. Board Rev. Bonds, (Metro. Dist. No. 2), Ser. A, 4.25%, 12/1/50	BB/P	550,000	420,113
			15,963,371
Connecticut (1.4%)			
CT State Hlth. & Edl. Fac. Auth. Rev. Bonds, (Yale U.), Ser. A-1, 2.85%, 7/1/42	Aaa	2,500,000	2,500,000
Harbor Point Infrastructure Impt. Dist. 144A Tax Alloc. Bonds, (Harbor Point Ltd.), 5.00%, 4/1/39	BB/P	2,000,000	1,894,878
			4,394,878
District of Columbia (3.6%)			
DC Rev. Bonds			
(Plenary Infrastructure DC, LLC), 5.50%, 2/28/37	A3	1,500,000	1,569,611
(Plenary Infrastructure DC, LLC), 5.50%, 2/29/36	A3	1,370,000	1,448,858
(Ingleside at Rock Creek), Ser. A, 5.00%, 7/1/52	BB-/P	500,000	375,988
(Two Rivers Pub. Charter School, Inc.), 5.00%, 6/1/50	Baa3	1,500,000	1,217,898
(Latin American Montessori Bilingual Pub. Charter School Oblig. Group), 5.00%, 6/1/40	BB+	2,000,000	1,787,776
(Two Rivers Pub. Charter School, Inc.), 5.00%, 6/1/40	Baa3	1,500,000	1,304,825
Metro. Washington DC, Arpt. Auth. Dulles Toll Rd. Rev. Bonds			
(Dulles Metrorail & Cap. Impt. Proj.) 4.00%, 10/1/53 T	A-	1,290,000	985,679
(Dulles Metrorail & Cap. Impt. Proj.) Ser. B, 4.00%, 10/1/44 T	A-	1,285,000	1,051,328
(Metrorail), Ser. A, zero %, 10/1/37	A-	3,700,000	1,763,039
			11,505,002
Florida (6.7%)			
FL State Dev. Fin. Corp. Ed. Fac. Rev. Bonds, (River City Ed.)			
5.00%, 7/1/57	Baa3	680,000	567,551
5.00%, 7/1/51	Baa3	1,300,000	1,108,710
5.00%, 7/1/42	Baa3	460,000	415,308
FL State Dev. Fin. Corp. Ed. Fac. 144A Rev. Bonds, (Drs. Kiran & Pallavi Patel 2017 Foundation for Global Understanding, Inc.), 4.00%, 7/1/51	BB/P	500,000	370,090
FL State Higher Edl. Fac. Financial Auth. Rev. Bonds			
(St. Leo U.), 5.00%, 3/1/44	BB	1,500,000	1,190,815
(Florida Inst. of Tech., Inc.), 4.00%, 10/1/39	BBB-	800,000	663,527
Halifax Hosp. Med. Ctr. Rev. Bonds, 5.00%, 6/1/36	A-	2,250,000	2,170,275

MUNICIPAL BONDS AND NOTES (147.1%)* cont.	Rating**	Principal amount	Value
Florida cont.			
Lakewood Ranch, Stewardship Dist. Special Assmt. Bonds, (Taylor Ranch), 6.30%, 5/1/54	BB-/P	\$1,350,000	\$1,312,621
Miami-Dade Cnty., Aviation Rev. Bonds, Ser. A, 5.00%, 10/1/36	A1	5,000,000	4,884,341
Orange Cnty., Hlth. Fac. Auth. Rev. Bonds, (Presbyterian Retirement Cmnty.), 5.00%, 8/1/34	A-/F	1,350,000	1,313,314
Palm Beach Cnty., 144A Rev. Bonds, (PBAU Hsg.), Ser. A, 5.00%, 4/1/39	Ba1	1,600,000	1,483,560
Palm Beach Cnty., Hlth. Fac. Auth. Rev. Bonds, (Jupiter Med. Ctr.), Ser. A, 5.00%, 11/1/47	BBB-	1,515,000	1,379,763
Pinellas Cnty., Indl. Dev. Auth. Rev. Bonds, (2017 Foundation for Global Understanding, Inc.), 5.00%, 7/1/39	BBB+/P	500,000	462,066
Southeast Overtown Park West Cmnty. Redev. Agcy. 144A Tax Alloc. Bonds, Ser. A-1, 5.00%, 3/1/30	BBB+	360,000	360,084
Village Cmnty. Dev. Dist. No. 15 144A Special Assmt. Bonds, 5.00%, 5/1/43	BB/P	1,000,000	932,725
Village, 144A Special Assmt., (Village Cmnty. Dev. Dist. No. 13), 3.00%, 5/1/35	BB-/P	2,415,000	1,941,256
Volusia Cnty., Edl. Fac. Auth. Rev. Bonds (Embry-Riddle Aeronautical U., Inc.), Ser. A, 4.00%, 10/15/39	A2	600,000	518,343
(Embry-Riddle Aeronautical University, Inc.), Ser. A, 4.00%, 10/15/36	A2	500,000	453,708
			21,528,057
Georgia (3.0%)			
Cobb Cnty., Kennestone Hosp. Auth. Rev. Bonds, (WellStar Hlth. Syst.), 5.00%, 4/1/50	A+	1,400,000	1,297,031
Gainesville and Hall Cnty., Hosp. Auth. Rev. Bonds, (Northeast GA Hlth. Syst.), 3.00%, 2/15/51	A	2,330,000	1,507,313
Muni. Election Auth. of GA Rev. Bonds, (Plant Vogtle Units 3 & 4) AGM, 5.00%, 1/1/62	AA	1,000,000	966,662
5.00%, 1/1/56	BBB+	650,000	591,967
AGM, 5.00%, 7/1/55	AA	1,700,000	1,641,885
AGM, 5.00%, 7/1/53	AA	1,500,000	1,454,472
4.00%, 1/1/51	A2	500,000	399,790
4.00%, 1/1/51	BBB+	425,000	327,928
Paulding Cnty., Hosp. Auth. Rev. Bonds, (WellStar Hlth. Syst.), 5.00%, 4/1/43	A+	1,400,000	1,376,904
			9,563,952
Hawaii (0.5%)			
HI State Harbor Syst. Rev. Bonds Ser. C, 4.00%, 7/1/40	Aa3	300,000	264,384
Ser. A, 4.00%, 7/1/34	Aa3	1,625,000	1,500,795
			1,765,179
Illinois (15.0%)			
Chicago, G.O. Bonds, Ser. A, 5.00%, 1/1/35	BBB+	2,500,000	2,536,168
Chicago, Board of Ed. G.O. Bonds Ser. C, 5.25%, 12/1/39	BB+	2,250,000	2,083,895
Ser. B, 5.00%, 12/1/36	BB+	2,500,000	2,372,072
Ser. H, 5.00%, 12/1/36	BB+	500,000	473,025

MUNICIPAL BONDS AND NOTES (147.1%)* cont.	Rating**	Principal amount	Value
Illinois cont.			
Chicago, O'Hare Intl. Arpt. Rev. Bonds			
BAM, 5.25%, 1/1/42	AA	\$1,465,000	\$1,488,062
BAM, 5.25%, 1/1/41	AA	1,950,000	1,987,209
Ser. A, 5.00%, 1/1/38	A+	100,000	97,830
Ser. A, 5.00%, 1/1/37	A+	300,000	294,199
IL Fin. Auth. Rev. Bonds, (U. of IL)			
5.25%, 10/1/53	Aa2	2,500,000	2,526,568
5.00%, 10/1/48	Aa2	2,500,000	2,461,388
IL State G.O. Bonds, Ser. A			
5.00%, 5/1/38	A3	1,500,000	1,442,232
5.00%, 12/1/31	A3	5,750,000	5,842,568
IL State Fin. Auth. Rev. Bonds			
(Lifespace Cmnty, Inc.), Ser. A, 5.00%, 5/15/35	BBB/F	1,025,000	881,308
(Riverside Hlth. Syst.), 4.00%, 11/15/34	A+	500,000	460,634
IL State Fin. Auth. Academic Fac. Rev. Bonds, (U. of Illinois at Urbana-Champaign), Ser. A			
5.00%, 10/1/44	Aa2	1,100,000	1,032,390
5.00%, 10/1/36	Aa2	600,000	602,204
IL State Fin. Auth. Student Hsg. & Academic Fac. Rev. Bonds			
(CHF-Chicago, LLC), 5.00%, 2/15/47	Baa3	2,000,000	1,750,620
(U. of IL-CHF-Chicago, LLC), Ser. A, 5.00%, 2/15/37	Baa3	1,000,000	947,801
Metro. Pier & Exposition Auth. Rev. Bonds			
(McCormick Place Expansion), 4.00%, 6/15/50	A	1,000,000	778,452
4.00%, 12/15/47	A	5,000,000	3,963,766
(McCormick Place Expansion), Ser. B, stepped-coupon zero % (4.70%, 6/15/31), 12/15/37 ††	A	1,000,000	654,963
Metro. Pier & Exposition Auth. Dedicated State Tax Rev. Bonds, (McCormick), Ser. A, NATL, zero %, 12/15/30			
	A	12,000,000	8,542,432
Sales Tax Securitization Corp. Rev. Bonds			
(Second Lien), Ser. A, BAM, 5.00%, 1/1/37	AA	1,100,000	1,116,589
Ser. A, 5.00%, 1/1/36	AA-	500,000	509,578
Ser. C, 5.00%, 1/1/35	AA-	1,500,000	1,560,248
Southern IL U. Rev. Bonds, (Hsg. & Auxiliary), Ser. A, NATL, zero %, 4/1/25			
	Baa2	1,870,000	1,736,290
			48,142,491
Indiana (0.9%)			
Hammond, Multi-School Bldg. Corp. Rev. Bonds, 5.00%, 7/15/38			
	AA+	1,750,000	1,736,824
Silver Creek, School Bldg. Corp. Rev. Bonds, 3.00%, 1/15/42			
	AA+	1,600,000	1,156,855
			2,893,679
Iowa (0.7%)			
IA State Fin. Auth. Rev. Bonds, (Lifespace Cmnty., Inc. Oblig. Group), Ser. A, 4.00%, 5/15/46			
	BBB/F	2,000,000	1,261,286
IA Tobacco Settlement Auth. Rev. Bonds, Ser. B-1, Class 2, 4.00%, 6/1/49			
	BBB+	1,015,000	905,696
			2,166,982

MUNICIPAL BONDS AND NOTES (147.1%)* cont.	Rating**	Principal amount	Value
Kentucky (2.6%)			
KY State Property & Bldg. Comm. Rev. Bonds			
(No. 127), Ser. A, 5.25%, 6/1/39	A1	\$3,000,000	\$3,092,060
(No. 122), Ser. A, 4.00%, 11/1/34	A1	750,000	696,037
KY State Pub. Energy Auth. Gas Supply			
Mandatory Put Bonds (6/1/25), Ser. C-1, 4.00%, 12/1/49	A1	1,160,000	1,139,967
Mandatory Put Bonds (1/1/25), Ser. B, 4.00%, 1/1/49	A1	3,000,000	2,962,684
Louisville, Regl. Arpt. Auth. Syst. Rev. Bonds, Ser. A, 5.00%, 7/1/31	A+	385,000	381,708
			8,272,456
Louisiana (1.7%)			
LA State Offshore Term. Auth. Deepwater Port Mandatory Put Bonds (12/1/23), (Loop, LLC), Ser. A, 1.65%, 9/1/33			
	A3	1,600,000	1,594,726
St. John The Baptist Parish Mandatory Put Bonds (7/1/26), (Marathon Oil Corp.), Ser. A-3, 2.20%, 6/1/37	Baa3	3,010,000	2,813,525
Tangipahoa Parish, Hosp. Svcs. Rev. Bonds, (North Oaks Hlth. Syst.), 4.00%, 2/1/42	BBB+	1,250,000	999,131
			5,407,382
Maryland (1.0%)			
Gaithersburg, Econ. Dev. Rev. Bonds, (Asbury, Oblig. Group), Ser. A, 5.00%, 1/1/36			
	BBB/F	450,000	418,115
MD Econ. Dev. Corp. Rev. Bonds			
(Morgan View & Thurgood Marshall Student Hsg.), Ser. A, 6.00%, 7/1/58	BBB-	1,725,000	1,787,266
(Morgan State U.), 4.25%, 7/1/50	BBB-	1,350,000	1,094,300
			3,299,681
Massachusetts (6.4%)			
MA State G.O. Bonds			
(Cons. Loan of 2023), Ser. A, 5.00%, 5/1/53	Aa1	5,500,000	5,553,253
Ser. C, 5.00%, 10/1/52	Aa1	6,500,000	6,565,220
MA State Dev. Fin. Agcy. Rev. Bonds			
(Milford Regl. Med. Ctr. Oblig. Group), Ser. F, 5.75%, 7/15/43	B+	500,000	448,797
(Intl. Charter School), 5.00%, 4/15/33	BBB-	1,000,000	978,269
MA State Edl. Fin. Auth. Rev. Bonds, (Ed. Loan — Issue 1), 5.00%, 1/1/27	AA	800,000	801,545
MA State Port Auth. Rev. Bonds, Ser. B, 4.00%, 7/1/46	Aa2	2,500,000	2,057,175
MA State Trans. Fund Rev. Bonds, (Rail Enhancement Program), Ser. A, 5.00%, 6/1/50	AAA	4,250,000	4,286,015
			20,690,274
Michigan (5.0%)			
Detroit, G.O. Bonds			
AMBAC, 5.25%, 4/1/24	A-/P	222,425	220,645
(Fin. Recvy.), Ser. B-1, 4.00%, 4/1/44	BB/P	1,700,000	1,158,897
Detroit, City School Dist. G.O. Bonds, Ser. A, AGM, 6.00%, 5/1/29	Aa1	835,000	893,916
Kentwood, Economic Dev. Corp. Rev. Bonds, (Holland Home Oblig. Group), 5.00%, 11/15/37	BBB-/F	1,750,000	1,540,036

MUNICIPAL BONDS AND NOTES (147.1%)* cont.	Rating**	Principal amount	Value
Michigan cont.			
MI State Fin. Auth. Rev. Bonds, (Trinity Hlth. Corp.), Ser. A, 4.00%, 12/1/49	Aa3	\$3,845,000	\$3,142,445
MI State Fin. Auth. Ltd. Oblig. Rev. Bonds, (Lawrence Tech. U.), 4.00%, 2/1/42	BBB-	745,000	548,068
MI State Hsg. Dev. Auth. Rev. Bonds, Ser. A, 2.73%, 10/1/59	AA+	1,500,000	804,834
Pontiac City, G.O. Bonds, (Pontiac School Dist.), Q-SBLF			
4.00%, 5/1/45 ^T	Aa1	4,424,000	3,717,822
4.00%, 5/1/50 ^T	Aa1	4,977,000	4,094,375
			16,121,038
Minnesota (0.6%)			
Ramsey, Charter School Rev. Bonds, (PACT Charter School), Ser. A, 5.00%, 6/1/32	BB+	2,000,000	1,905,931
			1,905,931
Missouri (8.3%)			
Kansas City, Incl. Dev. Auth. Arpt. Special Oblig. Rev. Bonds			
(Kansas City, Intl. Arpt.), AGM, 5.00%, 3/1/57	AA	8,980,000	8,333,609
5.00%, 3/1/46	A2	3,150,000	2,967,418
5.00%, 3/1/35	A2	5,925,000	5,950,729
MI State Hlth. & Edl. Fac. Rev. Bonds			
(U. of Hlth. Sciences & Pharmacy in St. Louis), 4.00%, 5/1/43	BBB-	1,150,000	858,369
(U. of Hlth. Sciences & Pharmacy in St. Louis), 4.00%, 5/1/38	BBB-	1,750,000	1,413,073
(U. of Hlth. Sciences & Pharmacy in St. Louis), 4.00%, 5/1/34	BBB-	1,085,000	953,875
MI State Hlth. & Edl. Fac. 144A Rev. Bonds, (U. of Hlth. Sciences & Pharmacy in St. Louis), 4.00%, 5/1/45	BBB-	1,950,000	1,417,367
MO State Hlth. & Edl. Fac. Auth. Rev. Bonds, (Mercy Hlth.), 5.00%, 12/1/52	A1	3,000,000	2,897,160
St. Louis, Muni. Fin. Corp. Rev. Bonds, AGM, 5.00%, 10/1/45	AA	2,000,000	1,991,051
			26,782,651
Nevada (0.7%)			
Las Vegas, Special Assmt. Bonds, (Special Impt. Dist. No. 816), 3.00%, 6/1/41	BB-/P	1,765,000	1,169,960
Sparks, Tourism Impt. Dist. No. 1 144A Rev. Bonds, Ser. A, 2.75%, 6/15/28	Ba1	1,165,000	1,057,047
			2,227,007
New Hampshire (3.0%)			
National Fin. Auth. Rev. Bonds			
(Caritas Acquisitions VII, LLC), Ser. A, 4.50%, 8/15/55	BBB/P	2,540,000	1,855,229
(Caritas Acquisitions VII, LLC), Ser. A, 4.25%, 8/15/46	BBB/P	1,210,000	897,825
(Caritas Acquisitions VII, LLC), Ser. A, 4.125%, 8/15/40	BBB/P	1,070,000	831,854
(NH Bus. Fin. Auth.), Ser. 23-2, 3.875%, 1/20/38	BBB	1,795,135	1,514,859

MUNICIPAL BONDS AND NOTES (147.1%)* cont.	Rating**	Principal amount	Value
New Hampshire cont.			
National Fin. Auth. Hosp. Rev. Bonds, (St. Luke's Hosp. Oblig. Group)			
4.00%, 8/15/40	A3	\$1,040,000	\$864,196
4.00%, 8/15/37	A3	850,000	717,585
NH State Hlth. & Ed. Fac. Auth. Rev. Bonds			
(Elliot Hosp.), 5.00%, 10/1/38	A3	500,000	474,639
(Southern NH Med. Ctr.), 5.00%, 10/1/37	A-	2,500,000	2,364,447
			9,520,634
New Jersey (0.8%)			
NJ State Econ. Dev. Auth. Rev. Bonds, (NYNJ Link Borrower, LLC), 5.375%, 1/1/43			
	BBB+	500,000	485,697
NJ State Trans. Trust Fund Auth. Rev. Bonds, Ser. AA, 5.00%, 6/15/37			
	A2	600,000	617,730
Passaic Cnty., Impt. Auth. Rev. Bonds, (Paterson Arts & Science Charter School), 5.50%, 7/1/58			
	BBB-	550,000	499,563
South Jersey, Trans. Auth. Syst. Rev. Bonds, Ser. A, 5.25%, 11/1/52			
	BBB+	1,000,000	962,657
			2,565,647
New Mexico (0.6%)			
Sante Fe, Retirement Fac. Rev. Bonds			
(El Castillo Retirement Residences), Ser. A, 5.00%, 5/15/44			
	BB+/F	975,000	766,880
(El Castillo Retirement Res.), 5.00%, 5/15/42			
	BB+/F	1,460,000	1,168,363
			1,935,243
New York (15.3%)			
Metro. Trans. Auth. Rev. Bonds			
(Green Bond), Ser. C-1, 5.00%, 11/15/50			
	A3	1,500,000	1,428,671
Ser. C-1, 4.00%, 11/15/35			
	A3	1,000,000	934,838
NY City, Hsg. Dev. Corp. Multi-Fam. Hsg. Rev. Bonds			
Ser. I-1, 2.80%, 11/1/60			
	AA+	2,000,000	1,113,946
(Sustainability Bonds), Ser. I-1, FHA Insd., 2.55%, 11/1/45			
	AA+	2,025,000	1,257,079
NY City, Transitional Fin. Auth. Rev. Bonds			
Ser. C-1, 5.00%, 5/1/41			
	AAA	1,000,000	1,021,476
Ser. F-1, 5.00%, 2/1/40			
	AAA	4,920,000	5,055,813
(Future Tax), Ser. C-1, 4.00%, 5/1/40			
	AAA	500,000	449,200
(Future Tax Secd.), 4.00%, 5/1/40			
	AAA	750,000	673,799
(Future Tax Secd.), Ser. E-1, 3.00%, 2/1/51			
	AAA	4,125,000	2,691,843
Ser. B-1, 3.00%, 8/1/48			
	AAA	5,875,000	3,935,530
NY Counties, Tobacco Trust VI Rev. Bonds, Ser. A-2B, 5.00%, 6/1/45			
	BB+	1,000,000	879,818
NY State Dorm. Auth. Personal Income Tax Rev. Bonds, Ser. A, 5.00%, 3/15/46 ^T			
	AA+	5,500,000	5,544,069
NY State Liberty Dev. Corp. Rev. Bonds			
Ser. A, BAM, 3.00%, 11/15/51			
	AA	3,500,000	2,276,587
(Port Auth. of NY & NJ), Ser. 1WTC, 2.75%, 2/15/44			
	AA-	2,335,000	1,551,959
NY State Liberty Dev. Corp. 144A Rev. Bonds, (3 World Trade Ctr., LLC), Class 1-3, 5.00%, 11/15/44			
	BB-/P	2,000,000	1,791,301
NY State Thruway Auth. Personal Income Tax Rev. Bonds, Ser. C, 5.00%, 03/15/54 ^T			
	AA+	5,500,000	5,447,556

MUNICIPAL BONDS AND NOTES (147.1%)* cont.	Rating**	Principal amount	Value
New York cont.			
NY State Trans. Special Fac. Dev. Corp. Rev. Bonds (Laguardia Arpt. Term. B Redev. Program), Ser. A, 5.00%, 7/1/46	Baa2	\$500,000	\$460,426
(Delta Air Lines, Inc.), 5.00%, 10/1/40	Baa3	2,000,000	1,822,888
NY State Urban Dev. Corp. Rev. Bonds, (Bidding Group 4), Ser. A, 3.00%, 3/15/50	AA+	1,060,000	708,192
Port Auth. of NY & NJ Rev. Bonds			
Ser. 218, 5.00%, 11/1/49 ^T	Aa3	2,980,000	2,842,723
Ser. 207, 5.00%, 9/15/29	Aa3	2,925,000	2,972,758
Triborough Bridge & Tunnel Auth. Sales Tax Rev. Bonds, Ser. A, 5.25%, 5/15/58	AA+	4,400,000	4,488,750
			49,349,222
North Carolina (0.8%)			
NC State Cap. Fac. Fin. Agcy. Edl. Fac. Rev. Bonds, (High Point U.), 4.00%, 5/1/34	A-	900,000	855,204
NC State Med. Care Comm. Hlth. Care Fac. Rev. Bonds, (Lutheran Svcs. for the Aging, Inc. Oblig. Group), 4.00%, 3/1/51	BB/P	2,250,000	1,413,367
NC State Med. Care Comm. Retirement Fac. Rev. Bonds, (Maryfield, Inc. Oblig. Group), 5.00%, 10/1/45	BB/P	500,000	404,018
			2,672,589
Ohio (4.7%)			
Buckeye, Tobacco Settlement Fin. Auth. Rev. Bonds			
Ser. B-2, Class 2, 5.00%, 6/1/55	BB/P	5,275,000	4,321,252
Ser. A-2, Class 1, 3.00%, 6/1/48	BBB+	3,560,000	2,346,533
Cleveland-Cuyahoga Cnty., Port Auth. Cultural Fac. Rev. Bonds, (Playhouse Square Foundation), 5.50%, 12/1/53	BB+	500,000	445,692
OH State Higher Edl. Fac. Comm. Rev. Bonds			
(Oberlin College), 5.25%, 10/1/53	Aa3	1,000,000	1,024,701
(Ashtabula Cnty. Med. Ctr.), 5.25%, 1/1/47	BBB+/F	2,750,000	2,526,792
(Kenyon College 2020), 4.00%, 7/1/44	A2	3,555,000	2,945,532
Scioto Cnty., Hosp. Rev. Bonds, (Southern OH Med. Ctr.)			
5.00%, 2/15/33	A3	605,000	593,557
5.00%, 2/15/32	A3	745,000	736,774
Southeastern OH Port Auth. Hosp. Fac. Rev. Bonds, (Memorial Hlth. Syst. Oblig. Group), 5.50%, 12/1/43	B+/F	120,000	97,177
			15,038,010
Oregon (0.9%)			
Clackamas Cnty., Hosp. Fac. Auth. Rev. Bonds, (Rose Villa, Inc.), Ser. A, 5.25%, 11/15/50	BB/P	1,000,000	831,864
Multnomah Cnty., Hosp. Fac. Auth. Rev. Bonds, (Terwilliger Plaza, Inc.), 5.00%, 12/1/36	BB+/F	650,000	569,625
Salem, Hosp. Fac. Auth. Rev. Bonds, (Salem Hlth.), Ser. A, 5.00%, 5/15/33	A+	1,500,000	1,520,036
			2,921,525
Pennsylvania (7.5%)			
Allegheny Cnty., Arpt. Auth. Rev. Bonds, Ser. A			
AGM, 5.50%, 1/1/48	AA	5,000,000	5,056,990
5.00%, 1/1/34	AA	3,480,000	3,534,575
AGM, 4.00%, 1/1/46	AA	750,000	618,465

MUNICIPAL BONDS AND NOTES (147.1%)* cont.	Rating**	Principal amount	Value
Pennsylvania cont.			
Allegheny Cnty., Hosp. Dev. Auth. Rev. Bonds, (Allegheny Hlth. Network), 5.00%, 4/1/47	A	\$4,285,000	\$4,014,331
Bucks Cnty., Wtr. & Swr. Auth. Rev. Bonds, Ser. A, AGM, 5.25%, 12/1/47	AA	2,175,000	2,224,031
Cumberland Cnty., Muni. Auth. Rev. Bonds, (Diakon Lutheran Social Ministries)			
5.00%, 1/1/32	BBB+/F	200,000	195,275
5.00%, 1/1/31	BBB+/F	1,000,000	981,654
Lancaster Cnty., Hosp. & Hlth. Ctr. Auth. Rev. Bonds, (St. Anne's Retirement Cmnty.)			
5.00%, 3/1/50	BB+/F	500,000	361,721
5.00%, 3/1/40	BB+/F	500,000	398,158
Lancaster Cnty., Hosp. Auth. Hlth. Care Fac. Rev. Bonds, (Moravian Manors, Inc.), Ser. A, 5.00%, 6/15/44	BB+/F	1,000,000	800,950
Montgomery Cnty., Incl. Dev. Auth. Rev. Bonds, (Pub. School of Germantown (The)), 4.00%, 10/1/36	BBB+	450,000	378,583
PA State Econ. Dev. Fin. Auth. Rev. Bonds, (PennDOT Major Bridges), AGM, 5.75%, 12/31/62	AA	1,350,000	1,409,375
PA State Tpk. Comm. Rev. Bonds, 4.90%, 12/1/44	A1	4,385,000	4,287,250
			24,261,358
Puerto Rico (1.5%)			
Cmnwlth. of PR, G.O. Bonds, Ser. A-1			
4.00%, 7/1/41	BB/P	5,000,000	3,869,353
4.00%, 7/1/37	BB/P	1,250,000	1,018,006
			4,887,359
Rhode Island (0.8%)			
Tobacco Settlement Fin. Corp. Rev. Bonds, Ser. B, 5.00%, 6/1/50	BBB-/P	2,750,000	2,490,263
			2,490,263
South Dakota (0.9%)			
Lincoln Cnty., Econ. Dev. Rev. Bonds			
(Augustana College Assoc. (The)), 4.00%, 8/1/61	BBB-	2,355,000	1,599,693
(Augustana College Assn. (The)), 4.00%, 8/1/51	BBB-	2,000,000	1,439,615
			3,039,308
Tennessee (0.8%)			
Metro. Govt. Nashville & Davidson Cnty., Hlth. & Edl. Fac. Board Rev. Bonds, (Blakeford at Green Hills), Ser. A, 4.00%, 11/1/55	BBB-/F	2,250,000	1,459,681
Metro. Nashville, Arpt. Auth. Rev. Bonds, Ser. B, 5.50%, 7/1/42	A1	1,125,000	1,148,021
			2,607,702
Texas (8.6%)			
Arlington, Higher Ed. Fin. Corp. Rev. Bonds, (Uplift Ed.), Ser. A, 5.00%, 12/1/36	BBB-	500,000	485,847
Austin-Bergstrom Landhost Enterprises, Inc. Rev. Bonds			
5.00%, 10/1/35	A	1,045,000	1,008,933
5.00%, 10/1/34	A	530,000	516,413

MUNICIPAL BONDS AND NOTES (147.1%)* cont.	Rating**	Principal amount	Value
Texas cont.			
Clifton, Higher Ed. Fin. Corp. Ed. Rev. Bonds			
(Intl. Leadership), Ser. D, 6.125%, 8/15/48	Baa3	\$1,150,000	\$1,091,696
(IDEA Pub. Schools), 5.00%, 8/15/28	A-	300,000	303,508
(YES Prep Pub. Schools, Inc.), PSFG, 4.25%, 4/1/48	Aaa	2,000,000	1,678,973
(IDEA Pub. Schools), Ser. T, PSFG, 4.00%, 8/15/41	AAA	1,400,000	1,226,406
(IDEA Pub. Schools), Ser. T, PSFG, 4.00%, 8/15/37	AAA	1,000,000	918,513
Harris Cnty., Cultural Ed. Fac. Fin. Corp. Rev. Bonds			
(YMCA of the Greater Houston Area), Ser. A, 5.00%, 6/1/38	Ba1	1,500,000	1,230,887
(Brazos Presbyterian Homes, Inc.), 5.00%, 1/1/37	BB+/F	1,000,000	831,203
(YMCA of the Greater Houston Area), Ser. A, 5.00%, 6/1/33	Ba1	800,000	717,479
Love Field, Gen. Arpt. Modernization Corp. Rev. Bonds, 5.00%, 11/1/35	A1	1,000,000	983,767
Lower CO River Auth. Rev. Bonds, AGM, 5.00%, 5/15/39	AA	1,730,000	1,760,858
Matagorda Cnty., Poll. Control Rev. Bonds, (Dist. No. 1), Ser. A, AMBAC, 4.40%, 5/1/30	A-	1,500,000	1,433,932
New Hope, Cultural Ed. Fac. Fin. Corp. Rev. Bonds			
(TX Woman's U. CHF-Collegiate Hsg. Dining), Ser. B-1, AGM, 4.125%, 7/1/53	AA	1,000,000	784,093
(Woman's U.-Collegiate Hsg. Denton, LLC), Ser. A-1, AGM, 4.125%, 7/1/53	AA	1,000,000	784,756
North TX, Tollway Auth. Rev. Bonds, (1st Tier), Ser. I, 6.50%, 1/1/43 (Prerefunded 1/1/25)	Aa3	2,000,000	2,056,137
Tarrant Cnty., Cultural Ed. Fin. Corp. Retirement Fac. Rev. Bonds, (Buckner Retirement Svcs.), Ser. B, 5.00%, 11/15/40	A/F	2,000,000	1,797,622
TX Private Activity Surface Trans. Corp. Rev. Bonds, (Segment 3C), 5.00%, 6/30/58	Baa1	3,000,000	2,747,057
TX State Pub. Fin. Auth. Rev. Bonds, (TX Southern U.), BAM			
5.25%, 5/1/42	AA	400,000	400,223
5.25%, 5/1/41	AA	400,000	401,571
5.25%, 5/1/40	AA	400,000	403,181
TX Wtr. Dev. Board State Wtr. Implementation Rev. Bonds, Ser. A, 4.875%, 10/15/48	AAA	3,000,000	2,942,610
Uptown Dev. Auth. Tax Alloc. Bonds, (City of Houston Reinvestment Zone No. 16)			
3.00%, 9/1/40	Baa2	750,000	510,331
3.00%, 9/1/39	Baa2	725,000	503,631
			27,519,627
Utah (2.5%)			
Infrastructure Agcy. Telecomm. Rev. Bonds			
6.00%, 10/15/47	BBB-/F	1,650,000	1,654,067
5.00%, 10/15/37	BBB-/F	1,200,000	1,121,549
Mida Mountain Village Pub. Infrastructure Dist. 144A Special Assmt. Bonds, (Mountain Village Assmt. Area No. 2), 4.00%, 8/1/50			
	B/P	1,625,000	1,119,335
U. of UT (The) Rev. Bonds, Ser. B, 5.25%, 8/1/48	Aa1	3,850,000	3,986,356
			7,881,307

MUNICIPAL BONDS AND NOTES (147.1%)* cont.	Rating**	Principal amount	Value
Virginia (1.3%)			
VA State Small Bus. Fin. Auth. Rev. Bonds			
(95 Express Lanes, LLC), 4.00%, 1/1/48	BBB	\$3,000,000	\$2,391,952
(Elizabeth River Crossings OpCo, LLC), 4.00%, 1/1/40	BBB	750,000	629,574
(Elizabeth River Crossings OpCo, LLC), 4.00%, 1/1/36	BBB	630,000	557,847
Williamsburg, Econ. Dev. Auth. Student Hsg. Rev. Bonds, (Provident Group — Williamsburg Properties, LLC), AGM, 5.25%, 7/1/53	AA	500,000	510,551
			4,089,924
Washington (3.8%)			
King Cnty., Public Hosp. Dist. No. 1 G.O. Bonds, (Valley Med. Ctr.), 5.00%, 12/1/38	A2	2,365,000	2,354,017
Port of Seattle Rev. Bonds, Ser. B, 5.00%, 8/1/40	AA-	1,000,000	989,098
WA State Hsg. Fin. Comm. Rev. Bonds			
(Eastside Retirement Assn.), Ser. A, 5.00%, 7/1/43	A-/F	2,030,000	1,915,784
(Social Certif.), Ser. A-1, 3.50%, 12/20/35	BBB+	2,608,973	2,216,714
Ser. 1, Class A, 3.375%, 4/20/37	BBB	2,599,032	2,047,734
WA State Hsg. Fin. Comm. Nonprofit 144A Rev. Bonds, (Seattle Academy of Arts & Sciences), 6.25%, 7/1/59	BBB	2,750,000	2,779,219
			12,302,566
Wisconsin (5.3%)			
Pub. Fin. Auth. Arpt. Fac. Rev. Bonds, (Sr. Oblig. Group), 5.25%, 7/1/28	BBB+	275,000	274,988
Pub. Fin. Auth. Conference Ctr. & Hotel Rev. Bonds, (U. of NC Charlotte Foundation), Ser. A			
4.00%, 9/1/56	BB+/P	1,000,000	632,044
4.00%, 9/1/51	BB+/P	750,000	492,687
Pub. Fin. Auth. Student Hsg. Fac. Rev. Bonds, (Appalachian State U.), Ser. A, AGM			
4.00%, 7/1/50	AA	700,000	553,655
4.00%, 7/1/45	AA	600,000	492,267
4.00%, 7/1/40	AA	500,000	428,210
4.00%, 7/1/38	AA	435,000	382,064
4.00%, 7/1/36	AA	340,000	307,887
4.00%, 7/1/34	AA	300,000	280,486
Pub. Fin. Auth. Student Hsg. Fac. 144A Rev. Bonds, (CHF-Manoa, LLC), Ser. A, 5.75%, 7/1/63	BBB-	1,000,000	939,345
WI Pub. Fin. Auth. Hotel Rev. Bonds			
(Grand Hyatt), 5.00%, 2/1/62	BBB-	700,000	590,750
(Grand Hyatt Sanitary), 5.00%, 2/1/52	BBB-	1,000,000	869,571
WI State Hlth. & Edl. Fac. Auth. Rev. Bonds			
(Hmong American Peace Academy, Ltd.), 5.00%, 3/15/50	BBB	1,000,000	882,208
(Froedtert Health, Inc.), Ser. A, 4.00%, 4/1/41	AA	4,865,000	4,148,575
(Froedtert Health, Inc.), Ser. A, 4.00%, 4/1/37	AA	3,000,000	2,659,784
(Advocate Aurora Hlth. Oblig. Group), Ser. A, 4.00%, 8/15/35	AA	3,000,000	2,742,400

MUNICIPAL BONDS AND NOTES (147.1%)* cont.	Rating**	Principal amount	Value
Wisconsin cont.			
WI State Pub. Fin. Auth Sr. Living 144A Rev. Bonds, (Mary's Woods at Marylhurst), Ser. A, 5.25%, 5/15/37	BB/F	\$250,000	\$225,264
			16,902,185
Total municipal bonds and notes (cost \$526,312,605)			\$472,949,268

SHORT-TERM INVESTMENTS (1.7%)*	Shares	Value
Putnam Short Term Investment Fund Class P 5.59% ^L	5,591,473	\$5,591,473
Total short-term investments (cost \$5,591,473)		\$5,591,473

TOTAL INVESTMENTS	Value
Total investments (cost \$531,904,078)	\$478,540,741

Notes to the fund's portfolio

Unless noted otherwise, the notes to the fund's portfolio are for the close of the fund's reporting period, which ran from May 1, 2023 through October 31, 2023 (the reporting period). Within the following notes to the portfolio, references to "Putnam Management" represent Putnam Investment Management, LLC, the fund's manager, an indirect wholly-owned subsidiary of Putnam Investments, LLC and references to "ASC 820" represent Accounting Standards Codification 820 *Fair Value Measurements and Disclosures*.

- * Percentages indicated are based on net assets of \$321,528,971.
 - ** The Moody's, Standard & Poor's or Fitch ratings indicated are believed to be the most recent ratings available at the close of the reporting period for the securities listed. Ratings are generally ascribed to securities at the time of issuance. While the agencies may from time to time revise such ratings, they undertake no obligation to do so, and the ratings do not necessarily represent what the agencies would ascribe to these securities at the close of the reporting period. Securities rated by Fitch are indicated by "/F." Securities rated by Putnam are indicated by "/P." The Putnam rating categories are comparable to the Standard & Poor's classifications. If a security is insured, it will usually be rated by the ratings organizations based on the financial strength of the insurer. For further details regarding security ratings, please see the Statement of Additional Information.
 - †† The interest rate and date shown parenthetically represent the new interest rate to be paid and the date the fund will begin accruing interest at this rate.
 - ## Forward commitment, in part or in entirety (Note 1).
 - ^L Affiliated company (Note 6). The rate quoted in the security description is the annualized 7-day yield of the fund at the close of the reporting period.
 - ^T Underlying security in a tender option bond transaction. This security has been segregated as collateral for financing transactions.
- 144A after the name of an issuer represents securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.
- On Mandatory Put Bonds, the rates shown are the current interest rates at the close of the reporting period and the dates shown represent the next mandatory put dates. Rates are set by remarketing agents and may take into consideration market supply and demand, credit quality and the current SIFMA Municipal Swap Index, 1 Month US LIBOR, 3 Month US LIBOR, US SOFR, CME Term SOFR 3 Month, or CME Term SOFR 6 Month, which were 4.09%, 5.43%, 5.64%, 5.35%, 5.38% and 5.44%, respectively, as of the close of the reporting period.
- The dates shown parenthetically on prerefunded bonds represent the next prerefunding dates.
- The dates shown on debt obligations are the original maturity dates.

The fund had the following sector concentrations greater than 10% at the close of the reporting period (as a percentage of net assets):

Health care	30.6%
Transportation	30.2
Education	22.7
State debt	14.0
Tax bonds	11.1

The fund had the following insurance concentration greater than 10% at the close of the reporting period (as a percentage of net assets):

AGM	10.2%
-----	-------

ASC 820 establishes a three-level hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of the fund's investments. The three levels are defined as follows:

Level 1: Valuations based on quoted prices for identical securities in active markets.

Level 2: Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3: Valuations based on inputs that are unobservable and significant to the fair value measurement.

The following is a summary of the inputs used to value the fund's net assets as of the close of the reporting period:

Investments in securities:	Valuation inputs		
	Level 1	Level 2	Level 3
Municipal bonds and notes	\$—	\$472,949,268	\$—
Short-term investments	—	5,591,473	—
Totals by level	\$—	\$478,540,741	\$—

The accompanying notes are an integral part of these financial statements.

Statement of assets and liabilities 10/31/23 (Unaudited)

ASSETS

Investment in securities, at value, including of securities on loan (Note 1):	
Unaffiliated issuers (identified cost \$526,312,605)	\$472,949,268
Affiliated issuers (identified cost \$5,591,473) (Note 6)	5,591,473
Interest and other receivables	6,512,214
Receivable for investments sold	6,018,694
Prepaid assets	39,173
Total assets	491,110,822

LIABILITIES

Payable to custodian	90,795
Payable for investments purchased	6,047,211
Payable for purchases of delayed delivery securities (Note 1)	5,980,035
Payable for compensation of Manager (Note 2)	489,980
Payable for custodian fees (Note 2)	3,394
Payable for investor servicing fees (Note 2)	28,180
Payable for Trustee compensation and expenses (Note 2)	142,753
Payable for administrative services (Note 2)	576
Payable for floating rate notes issued (Note 1)	16,746,368
Preferred share remarketing agent fees	29,479
Distributions payable to shareholders	1,146,318
Distributions payable to preferred shareholders (Note 1)	95,907
Other accrued expenses	55,855
Total liabilities	30,856,851
Series B remarketed preferred shares : (2,876 shares authorized and issued at \$25,000 per share) (Note 4)	71,900,000
Series C remarketed preferred shares : (2,673 shares authorized and issued at \$25,000 per share) (Note 4)	66,825,000
Net assets	\$321,528,971

REPRESENTED BY

Paid-in capital — common shares (Unlimited shares authorized) (Notes 1 and 5)	\$398,294,568
Total distributable earnings (Note 1)	(76,765,597)
Total — Representing net assets applicable to common shares outstanding	\$321,528,971

COMPUTATION OF NET ASSET VALUE

Net asset value per common share (\$321,528,971 divided by 32,622,978 shares)	\$9.86
---	--------

*Redemption price per share is equal to net asset value less any applicable contingent deferred sales charge.

The accompanying notes are an integral part of these financial statements.

Statement of operations Six months ended 10/31/23 (Unaudited)

INVESTMENT INCOME	
Interest (including interest income of \$169,060 from investments in affiliated issuers) (Note 6)	\$10,723,048
Total investment income	10,723,048
EXPENSES	
Compensation of Manager (Note 2)	1,387,584
Investor servicing fees (Note 2)	89,540
Custodian fees (Note 2)	8,187
Trustee compensation and expenses (Note 2)	8,211
Administrative services (Note 2)	3,576
Interest and fee expense (Note 1)	371,116
Preferred share remarketing agent fees	106,356
Other	165,151
Fees waived and reimbursed by Manager (Note 2)	(388,126)
Total expenses	1,751,595
Expense reduction (Note 2)	(4,280)
Net expenses	1,747,315
Net investment income	8,975,733
REALIZED AND UNREALIZED GAIN (LOSS)	
Net realized gain (loss) on:	
Securities from unaffiliated issuers (Notes 1 and 3)	(5,242,357)
Total net realized loss	(5,242,357)
Change in net unrealized appreciation (depreciation) on:	
Securities from unaffiliated issuers	(37,040,859)
Total change in net unrealized depreciation	(37,040,859)
Net loss on investments	(42,283,216)
Net decrease in net assets resulting from operations	(33,307,483)
Distributions to Series B and C remarketed preferred shareholders (Note 1):	
From tax exempt net investment income	(4,167,135)
Net decrease in net assets resulting from operations (applicable to common shareholders)	\$(37,474,618)

The accompanying notes are an integral part of these financial statements.

Statement of changes in net assets

DECREASE IN NET ASSETS	Six months ended 10/31/23*	Year ended 4/30/23
Operations		
Net investment income	\$8,975,733	\$16,794,269
Net realized loss on investments	(5,242,357)	(10,477,251)
Change in net unrealized appreciation (depreciation) of investments	(37,040,859)	4,383,544
Net increase (decrease) in net assets resulting from operations	(33,307,483)	10,700,562
Distributions to Series B and C remarketed preferred shareholders (Note 1):		
From ordinary income		
Taxable net investment income	—	(35,445)
From tax exempt net investment income	(4,167,135)	(5,239,716)
Net increase (decrease) in net assets resulting from operations (applicable to common shareholders)	(37,474,618)	5,425,401
Distributions to common shareholders (Note 1):		
From ordinary income		
Taxable net investment income	—	(149,637)
From tax exempt net investment income	(6,941,005)	(17,994,454)
From return of capital	—	(2,892,507)
Increase from issuance of common shares in connection with reinvestment of distributions	—	687,705
Decrease from shares repurchased (Note 5)	(11,471,635)	(2,492,247)
Total decrease in net assets	(55,887,258)	(17,415,739)
NET ASSETS		
Beginning of period	377,416,229	394,831,968
End of period	\$321,528,971	\$377,416,229
NUMBER OF FUND SHARES		
Common shares outstanding at beginning of period	33,778,634	33,959,190
Shares issued in connection with reinvestment of distributions	—	61,854
Shares repurchased (Note 5)	(1,155,656)	(242,410)
Common shares outstanding at end of period	32,622,978	33,778,634
Series B Remarketed preferred shares outstanding at beginning and end of period	2,876	2,876
Series C Remarketed preferred shares outstanding at beginning and end of period	2,673	2,673

*Unaudited.

The accompanying notes are an integral part of these financial statements.

Financial highlights

(For a common share outstanding throughout the period)

PER-SHARE OPERATING PERFORMANCE						
	Six months ended**	Year ended				
	10/31/23	4/30/23	4/30/22	4/30/21	4/30/20	4/30/19
Net asset value, beginning of period (common shares)	\$11.17	\$11.63	\$13.95	\$12.49	\$13.26	\$12.92
Investment operations:						
Net investment income ^a	.27	.49	.45	.48	.54	.61
Net realized and unrealized gain (loss) on investments	(1.27)	(.18)	(2.13)	1.76	(.56)	.36
Total from investment operations	(1.00)	.31	(1.68)	2.24	(.02)	.97
Distributions to preferred shareholders:						
From net investment income	(.13)	(.16)	(.01)	(.01)	(.07)	(.07)
From capital gains	—	—	— ^f	—	(.05)	(.03)
Total from investment operations (applicable to common shareholders)	(1.13)	.15	(1.69)	2.23	(.14)	.87
Distributions to common shareholders:						
From net investment income	(.21)	(.53)	(.40)	(.66)	(.28)	(.47)
From capital gains	—	—	(.23)	(.11)	(.36)	(.17)
From return of capital	—	(.09)	—	—	—	—
Total distributions	(.21)	(.62)	(.63)	(.77)	(.64)	(.64)
Increase from shares repurchased	.03	.01	—^f	—	.01	.11
Net asset value, end of period (common shares)	\$9.86	\$11.17	\$11.63	\$13.95	\$12.49	\$13.26
Market price, end of period (common shares)	\$8.77	\$10.29	\$10.69	\$13.72	\$11.63	\$12.24
Total return at market price (%) (common shares)^b	(12.91)*	1.83	(18.22)	24.88	(0.19)	11.74
Total return at net asset value (%) (common shares)^b	(9.98)*	1.56	(12.60)	18.13	(1.22)	7.85
RATIOS AND SUPPLEMENTAL DATA						
Net assets, end of period (common shares)(in thousands)	\$321,529	\$377,416	\$394,832	\$475,965	\$426,109	\$456,588
Ratio of expenses to average net assets (including interest expense) (%) ^{c,d,e}	.49* ^g	1.20 ^g	.99	.97 ^g	1.02 ^g	1.14 ^g
Ratio of net investment income to average net assets (%) ^d	1.34*	3.02	3.23	3.46	3.51	4.13
Portfolio turnover (%)	35*	36	32	22	48	41

(Continued on next page)

Financial highlights *cont.*

* Not annualized.

** Unaudited.

a Per share net investment income has been determined on the basis of the weighted average number of shares outstanding during the period.

b Total return assumes dividend reinvestment.

c Includes amounts paid through expense offset arrangements, if any (Note 2).

d Ratios reflect net assets available to common shares only; net investment income ratio also reflects reduction for dividend payments to preferred shareholders.

e Includes interest and fee expense associated with borrowings which amounted to the following amounts as a percentage of average net assets:

October 31, 2023	0.10%
April 30, 2023	0.36
April 30, 2022	0.09
April 30, 2021	0.08
April 30, 2020	0.16
April 30, 2019	0.25

f Amount represents less than \$0.01 per share.

g Reflects waiver of certain fund expenses in connection with the fund’s remarketing preferred shares during the period. As a result of such waivers, the expenses of the fund reflect a reduction as a percentage of average net assets for the periods noted below (Note 2):

October 31, 2023	0.11%
April 30, 2023	0.13
April 30, 2021	0.03
April 30, 2020	0.04
April 30, 2019	0.01

The accompanying notes are an integral part of these financial statements.

Notes to financial statements 10/31/23 (Unaudited)

Unless otherwise noted, the “reporting period” represents the period from May 1, 2023 through October 31, 2023. The following table defines commonly used references within the Notes to financial statements:

References to	Represent
Putnam Management	Putnam Investment Management, LLC, the fund’s manager, an indirect wholly-owned subsidiary of Putnam Investments, LLC
State Street	State Street Bank and Trust Company
PIL	Putnam Investments Limited, an affiliate of Putnam Management

Putnam Municipal Opportunities Trust (the fund) is a Massachusetts business trust, which is registered under the Investment Company Act of 1940, as amended, as a non-diversified closed-end management investment company. The fund is currently operating as a diversified fund. In the future, the fund may operate as a non-diversified fund to the extent permitted by applicable law. Under current law, shareholder approval would be required before the fund could operate as a non-diversified fund. The goal of the fund is to seek as high a level of current income exempt from federal income tax as Putnam Management believes is consistent with the preservation of capital. The fund intends to achieve its objective by investing in a portfolio of investment-grade and some below investment-grade municipal bonds selected by Putnam Management. The fund also uses leverage, primarily by issuing preferred shares in an effort to enhance the returns for the common shareholders. The fund’s shares trade on a stock exchange at market prices, which may be lower than the fund’s net asset value. The fund also uses leverage which involves risk and may increase the volatility of the fund’s net asset value. The fund’s shares trade on a stock exchange at market prices, which may be lower than the fund’s net asset value.

In the normal course of business, the fund enters into contracts that may include agreements to indemnify another party under given circumstances. The fund’s maximum exposure under these arrangements is unknown as this would involve future claims that may be, but have not yet been, made against the fund. However, the fund’s management team expects the risk of material loss to be remote.

The fund has entered into contractual arrangements with an investment adviser, administrator, transfer agent and custodian, who each provide services to the fund. Unless expressly stated otherwise, shareholders are not parties to, or intended beneficiaries of these contractual arrangements, and these contractual arrangements are not intended to create any shareholder right to enforce them against the service providers or to seek any remedy under them against the service providers, either directly or on behalf of the fund.

Under the fund’s Amended and Restated Agreement and Declaration of Trust, any claims asserted by a shareholder against or on behalf of the fund, including claims against Trustees and Officers, must be brought in state and federal courts located within the Commonwealth of Massachusetts.

Note 1: Significant accounting policies

The Fund is an investment company and applies the accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946 *Financial Services - Investment Companies*. The following is a summary of significant accounting policies consistently followed by the fund in the preparation of its financial statements. The preparation of financial statements is in conformity with accounting principles generally accepted in the United States of America and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements and the reported amounts of increases and decreases in net assets from operations. Actual results could differ from those estimates. Subsequent events after the Statement of assets and liabilities date through the date that the financial statements were issued have been evaluated in the preparation of the financial statements.

Security valuation Portfolio securities and other investments are valued using policies and procedures adopted by the Board of Trustees. The Trustees have formed a Pricing Committee to oversee the implementation of these procedures and have delegated responsibility for valuing the fund’s assets in accordance with these procedures to Putnam Management. Putnam Management has established an internal Valuation Committee that is responsible for making fair value determinations, evaluating the effectiveness of the pricing policies of the fund and reporting to the Pricing Committee.

Tax-exempt bonds and notes are generally valued on the basis of valuations provided by an independent pricing service approved by the Trustees. Such services use information with respect to transactions in bonds, quotations from bond dealers, market transactions in comparable securities and various relationships between securities in determining value. These securities will generally be categorized as Level 2.

Market quotations are not considered to be readily available for certain debt obligations (including short-term investments with remaining maturities of 60 days or less) and other investments; such investments are valued on the basis of valuations furnished by an independent pricing service approved by the Trustees or dealers selected by Putnam Management. Such services or dealers determine valuations for normal institutional-size trading units of such securities using methods based on market transactions for comparable securities and various relationships, generally recognized by institutional traders, between securities (which consider such factors as security prices, yields, maturities and ratings). These securities will generally be categorized as Level 2. Securities quoted in foreign currencies, if any, are translated into U.S. dollars at the current exchange rate.

Investments in open-end investment companies (excluding exchange-traded funds), if any, which can be classified as Level 1 or Level 2 securities, are valued based on their net asset value. The net asset value of such investment companies equals the total value of their assets less their liabilities and divided by the number of their outstanding shares.

To the extent a pricing service or dealer is unable to value a security or provides a valuation that Putnam Management does not believe accurately reflects the security's fair value, the security will be valued at fair value by Putnam Management, which has been designated as valuation designee pursuant to Rule 2a-5 under the Investment Company Act of 1940, in accordance with policies and procedures approved by the Trustees. Certain investments, including certain restricted and illiquid securities and derivatives, are also valued at fair value following procedures approved by the Trustees. These valuations consider such factors as significant market or specific security events such as interest rate or credit quality changes, various relationships with other securities, discount rates, U.S. Treasury, U.S. swap and credit yields, index levels, convexity exposures, recovery rates, sales and other multiples and resale restrictions. These securities are classified as Level 2 or as Level 3 depending on the priority of the significant inputs.

To assess the continuing appropriateness of fair valuations, the Valuation Committee reviews and affirms the reasonableness of such valuations on a regular basis after considering all relevant information that is reasonably available. Such valuations and procedures are reviewed periodically by the Trustees. The fair value of securities is generally determined as the amount that the fund could reasonably expect to realize from an orderly disposition of such securities over a reasonable period of time. By its nature, a fair value price is a good faith estimate of the value of a security in a current sale and does not reflect an actual market price, which may be different by a material amount.

Security transactions and related investment income Security transactions are recorded on the trade date (the date the order to buy or sell is executed). Gains or losses on securities sold are determined on the identified cost basis.

Interest income, net of any applicable withholding taxes, if any, is recorded on the accrual basis. Amortization and accretion of premiums and discounts on debt securities, if any, is recorded on the accrual basis.

Securities purchased or sold on a forward commitment or delayed delivery basis may be settled at a future date beyond customary settlement time; interest income is accrued based on the terms of the securities. Losses may arise due to changes in the fair value of the underlying securities or if the counterparty does not perform under the contract.

Tender option bond transactions The fund may participate in transactions whereby a fixed-rate bond is transferred to a tender option bond trust (TOB trust) sponsored by a broker. The TOB trust funds the purchase of the fixed rate bonds by issuing floating-rate bonds to third parties and allowing the fund to retain the residual interest in the TOB trust's assets and cash flows, which are in the form of inverse floating rate bonds. The inverse floating rate bonds held by the fund give the fund the right to (1) cause the holders of the floating rate bonds to tender their notes at par, and (2) to have the fixed-rate bond held by the TOB trust transferred to the fund, causing the TOB trust to collapse. The fund accounts for the transfer of the fixed-rate bond to the TOB trust as a secured borrowing by including the fixed-rate bond in the fund's portfolio and including the floating rate bond as a liability in the Statement of assets and liabilities. At the close of the reporting period, the fund's investments with a value of \$23,683,552 were held by the TOB trust and served as collateral for \$16,746,368 in floating-rate bonds outstanding. For the reporting period ended, the fund incurred interest expense of \$319,447 for these investments based on an average interest rate of 3.5%.

Federal taxes It is the policy of the fund to distribute all of its income within the prescribed time period and otherwise comply with the provisions of the Internal Revenue Code of 1986, as amended (the Code), applicable to regulated investment companies. It is also the intention of the fund to distribute an amount sufficient to avoid imposition of any excise tax under Section 4982 of the Code.

The fund is subject to the provisions of Accounting Standards Codification 740 *Income Taxes* (ASC 740). ASC 740 sets forth a minimum threshold for financial statement recognition of the benefit of a tax position taken or expected to be taken in a tax return. The fund did not have a liability to record for any unrecognized tax benefits in the accompanying financial statements. No provision has been made for federal taxes on income, capital gains or unrealized appreciation on securities held nor for excise tax on income and capital gains. Each of the fund's federal tax returns for the prior three fiscal years remains subject to examination by the Internal Revenue Service.

Under the Regulated Investment Company Modernization Act of 2010, the fund will be permitted to carry forward capital losses incurred for an unlimited period and the carry forwards will retain their character as either short-term or long-term capital losses. At April 30, 2023, the fund had the following capital loss carryovers available, to the extent allowed by the Code, to offset future net capital gain, if any:

Loss carryover			
	Short-term	Long-term	Total
	\$9,602,968	\$5,146,382	\$14,749,350

Tax cost of investments includes adjustments to net unrealized appreciation (depreciation) which may not necessarily be final tax cost basis adjustments, but closely approximate the tax basis unrealized gains and losses that may be realized and distributed to shareholders. The aggregate identified cost on a tax basis is \$531,843,005, resulting in gross unrealized appreciation and depreciation of \$5,437,137 and \$58,739,401, respectively, or net unrealized depreciation of \$53,302,264.

Distributions to shareholders Distributions to common and preferred shareholders from net investment income are recorded by the fund on the ex-dividend date. Distributions from capital gains, if any, are recorded on the ex-dividend date and paid at least annually. The fund used targeted distribution rates to its common shareholders. Distributions are sourced first from tax-exempt and ordinary income. The balance of the distributions, if any, comes next from capital gain and then will constitute a return of capital. A return of capital is not taxable; rather it reduces a shareholder's tax basis in their shares of the fund. The fund may make return of capital distributions to achieve the targeted distribution rates. Dividends on remarketed preferred shares become payable when, as and if declared by the Trustees. Each dividend period for the remarketed preferred shares is generally a 7 day period. The applicable dividend rate for the remarketed preferred shares on October 31, 2023 was 6.427% for Series B and 6.05% for Series C shares. The amount and character of income and gains to be distributed are determined in accordance with income tax regulations, which may differ from generally accepted accounting principles. Dividend sources are estimated at the time of declaration. Actual results may vary. Any non-taxable return of capital cannot be determined until final tax calculations are completed after the end of the fund's fiscal year. Reclassifications are made to the fund's capital accounts to reflect income and gains available for distribution (or available capital loss carryovers) under income tax regulations.

During the reporting period, the fund has experienced unsuccessful remarketings of its remarketed preferred shares. As a result, dividends to the remarketed preferred shares have been paid at the "maximum dividend rate," pursuant to the fund's by-laws, which, based on the current credit quality of the remarketed preferred shares, equals 110% of the higher of the 30-day "AA" composite commercial paper rate and the taxable equivalent of the short-term municipal bond rate.

Determination of net asset value Net asset value of the common shares is determined by dividing the value of all assets of the fund, less all liabilities and the liquidation preference (redemption value of preferred shares, plus accumulated and unpaid dividends) of any outstanding remarketed preferred shares, by the total number of common shares outstanding as of period end.

Note 2: Management fee, administrative services and other transactions

The fund pays Putnam Management for management and investment advisory services quarterly based on the average net assets of the fund, including assets attributable to preferred shares. Such fee is based on the following annual rates based on the average weekly net assets attributable to common and preferred shares.

The lesser of (i) 0.550% of average net assets attributable to common and preferred shares outstanding, or (ii) the following rates:

0.650%	of the first \$500 million of average weekly net assets,	0.425%	of the next \$5 billion of average weekly net assets,
0.550%	of the next \$500 million of average weekly net assets,	0.405%	of the next \$5 billion of average weekly net assets,
0.500%	of the next \$500 million of average weekly net assets,	0.390%	of the next \$5 billion of average weekly net assets and
0.450%	of the next \$5 billion of average weekly net assets,	0.380%	of any excess thereafter.

For the reporting period, the management fee represented an effective rate (excluding the impact from any expense waivers in effect) of 0.279% of the fund's average net assets attributable to common and preferred shares outstanding.

If dividends payable on remarketed preferred shares during any dividend payment period plus any expenses attributable to remarketed preferred shares for that period exceed the fund's gross income attributable to the proceeds of the remarketed preferred shares during that period, then the fee payable to Putnam Management for that period will be reduced by the amount of the excess (but not more than the effective management fees rate under the contract multiplied by the liquidation preference of the remarketed preferred shares outstanding during the period). For the reporting period, Putnam Management reimbursed \$388,126 to the fund. Any amount in excess of the fee payable to Putnam Management for a given period will be used to reduce any subsequent fee payable to Putnam Management, as may be necessary. As of October 31, 2023, this excess amounted to \$3,041,088.

PIL is authorized by the Trustees to manage a separate portion of the assets of the fund as determined by Putnam Management from time to time. PIL did not manage any portion of the assets of the fund during the reporting period. If Putnam Management were to engage the services of PIL, Putnam Management would pay a quarterly sub-management fee to PIL for its services at an annual rate of 0.20% of the average net assets of the portion of the fund managed by PIL.

The fund reimburses Putnam Management an allocated amount for the compensation and related expenses of certain officers of the fund and their staff who provide administrative services to the fund. The aggregate amount of all such reimbursements is determined annually by the Trustees.

Custodial functions for the fund's assets are provided by State Street. Custody fees are based on the fund's asset level, the number of its security holdings and transaction volumes.

Putnam Investor Services, Inc., an affiliate of Putnam Management, provides investor servicing agent functions to the fund. Putnam Investor Services, Inc. was paid a monthly fee for investor servicing at an annual rate of 0.05% of the fund's average daily net assets. The amounts incurred for investor servicing agent functions during the reporting period are included in Investor servicing fees in the Statement of operations.

The fund has entered into expense offset arrangements with Putnam Investor Services, Inc. and State Street whereby Putnam Investor Services, Inc.'s and State Street's fees are reduced by credits allowed on cash balances. For the reporting period, the fund's expenses were reduced by \$4,280 under the expense offset arrangements.

Each Independent Trustee of the fund receives an annual Trustee fee, of which \$291, as a quarterly retainer, has been allocated to the fund, and an additional fee for each Trustees meeting attended. Trustees also are reimbursed for expenses they incur relating to their services as Trustees.

The fund has adopted a Trustee Fee Deferral Plan (the Deferral Plan) which allows the Trustees to defer the receipt of all or a portion of Trustees fees payable on or after July 1, 1995. The deferred fees remain invested in certain Putnam funds until distribution in accordance with the Deferral Plan.

The fund has adopted an unfunded noncontributory defined benefit pension plan (the Pension Plan) covering all Trustees of the fund who have served as a Trustee for at least five years and were first elected prior to 2004. Benefits under the Pension Plan are equal to 50% of the Trustee's average annual attendance and retainer fees for the three years ended December 31, 2005. The retirement benefit is payable during a Trustee's lifetime, beginning the year following retirement, for the number of years of service through December 31, 2006. Pension expense for the fund is included in Trustee compensation and expenses in the Statement of operations. Accrued pension liability is included in Payable for Trustee compensation and expenses in the Statement of assets and liabilities. The Trustees have terminated the Pension Plan with respect to any Trustee first elected after 2003.

Note 3: Purchases and sales of securities

During the reporting period, the cost of purchases and the proceeds from sales, excluding short-term investments, were as follows:

	Cost of purchases	Proceeds from sales
Investments in securities (Long-term)	\$177,164,933	\$189,356,281
U.S. government securities (Long-term)	—	—
Total	\$177,164,933	\$189,356,281

The fund may purchase or sell investments from or to other Putnam funds in the ordinary course of business, which can reduce the fund's transaction costs, at prices determined in accordance with SEC requirements and policies approved by the Trustees. During the reporting period, purchases or sales of long-term securities from or to other Putnam funds, if any, did not represent more than 5% of the fund's total cost of purchases and/or total proceeds from sales.

Note 4: Preferred Shares

The Series B (2,876) and C (2,673) Remarketed Preferred shares are redeemable at the option of the fund on any dividend payment date at a redemption price of \$25,000 per share, plus an amount equal to any dividends accumulated on a daily basis but unpaid through the redemption date (whether or not such dividends have been declared) and, in certain circumstances, a call premium.

It is anticipated that dividends paid to holders of remarketed preferred shares will be considered tax-exempt dividends under the Internal Revenue Code of 1986. To the extent that the fund earns taxable income and capital gains by the conclusion of a fiscal year, it may be required to apportion to the holders of the remarketed preferred shares throughout that year additional dividends as necessary to result in an after-tax equivalent to the applicable dividend rate for the period.

Under the Investment Company Act of 1940, the fund is required to maintain asset coverage of at least 200% with respect to the remarketed preferred shares. Additionally, the fund's bylaws impose more stringent asset coverage requirements and restrictions relating to the rating of the remarketed preferred shares by the shares' rating agencies. Should these requirements not be met, or should dividends accrued on the remarketed preferred shares not be paid, the fund may be restricted in its ability to declare dividends to common shareholders or may be required to redeem certain of the remarketed preferred shares. At period end, no such restrictions have been placed on the fund.

Note 5: Shares repurchased

In September 2023, the Trustees approved the renewal of the repurchase program to allow the fund to repurchase up to 10% of its outstanding common shares over the 365 day period ending September 30, 2024 (based on shares outstanding as of September 30, 2023). Prior to this renewal, the Trustees had approved a repurchase program to allow the fund to repurchase up to 10% of its outstanding common shares over the 365 day period ending September 30, 2023 (based on shares outstanding as of September 30, 2022). Repurchases are made when the fund's shares are trading at less than net asset value and in accordance with procedures approved by the fund's Trustees.

For the reporting period, the fund repurchased 1,155,656 common shares for an aggregate purchase price of \$11,471,635, which reflects a weighted-average discount from net asset value per share of 9.03. The weighted-average discount reflects the payment of commissions by the fund to execute repurchase trades.

For the previous fiscal year, the fund repurchased 242,410 common shares for an aggregate purchase price of \$2,492,247, which reflected a weighted-average discount from net asset value per share of 8.22%. The weighted-average discount reflected the payment of commissions by the fund to execute repurchase trades.

At the close of the reporting period, Putnam Investments, LLC owned approximately 1,720 shares of the fund (0.005% of the fund's shares outstanding), valued at \$16,959 based on net asset value.

Note 6: Affiliated transactions

Transactions during the reporting period with any company which is under common ownership or control were as follows:

Name of affiliate	Fair value as of 4/30/23	Purchase cost	Sale proceeds	Investment income	Shares outstanding and fair value as of 10/31/23
Short-term investments					
Putnam Short Term Investment Fund*	\$15,912,988	\$96,068,683	\$106,390,198	\$169,060	\$5,591,473
Total Short-term investments	\$15,912,988	\$96,068,683	\$106,390,198	\$169,060	\$5,591,473

* Management fees charged to Putnam Short Term Investment Fund have been waived by Putnam Management. There were no realized or unrealized gains or losses during the period.

Note 7: Market, credit and other risks

In the normal course of business, the fund trades financial instruments and enters into financial transactions where risk of potential loss exists due to changes in the market (market risk) or failure of the contracting party to the transaction to perform (credit risk). The fund may be exposed to additional credit risk that an institution or other entity with which the fund has unsettled or open transactions will default. The fund may invest in higher-yielding, lower-rated bonds that may have a higher rate of default.

Note 8: Of special note

On May 31, 2023, Franklin Resources, Inc. ("Franklin Resources") and Great-West Lifeco Inc., the parent company of Putnam U.S. Holdings I, LLC ("Putnam Holdings"), announced that they have entered into a definitive agreement for a subsidiary of Franklin Resources to acquire Putnam Holdings in a stock and cash transaction.

As part of this transaction, Putnam Management, a wholly-owned subsidiary of Putnam Holdings and investment manager to the Putnam family of funds (the "Putnam Funds"), would become an indirect wholly-owned subsidiary of Franklin Resources.

The transaction is subject to customary closing conditions, including receipt of applicable regulatory approvals. Subject to such approvals and the satisfaction of these conditions, the transaction is currently expected to be consummated in the fourth quarter of 2023 or early 2024.

Under the Investment Company Act of 1940, as amended, consummation of the transaction will result in the automatic termination of the investment management contract between each Putnam Fund and Putnam Management and any related sub-management and sub-advisory contracts, where applicable. In anticipation of this automatic termination, on June 23, 2023, the Board of Trustees of the Putnam Funds approved a new investment management contract between each Putnam Fund and Putnam Management (and new sub-management and sub-advisory contracts, if applicable), which were, or will be, presented to the shareholders of each Putnam Fund for their approval at shareholder meetings in October 2023 or at adjourned sessions of such meetings. Proxy solicitation materials related to these meetings have been made available to shareholders that held shares of the fund at the close of business on July 10, 2023.

Fund information

Founded over 85 years ago, Putnam Investments was built around the concept that a balance between risk and reward is the hallmark of a well-rounded financial program. We manage funds across income, value, blend, growth, sustainable, and asset allocation categories.

Investment Manager

Putnam Investment Management, LLC
100 Federal Street
Boston, MA 02110

Investment Sub-Advisor

Putnam Investments Limited
16 St James's Street
London, England SW1A 1ER

Marketing Services

Putnam Retail Management Limited Partnership
100 Federal Street
Boston, MA 02110

Custodian

State Street Bank and Trust Company

Legal Counsel

Ropes & Gray LLP

Trustees

Kenneth R. Leibler, *Chair*
Barbara M. Baumann, *Vice Chair*
Liaquat Ahamed
Katinka Domotorffy
Catharine Bond Hill
Jennifer Williams Murphy
Marie Pillai
George Putnam III
Robert L. Reynolds
Manoj P. Singh
Mona K. Sutphen

Officers

Robert L. Reynolds
President

James F. Clark
Vice President and Chief Compliance Officer

Michael J. Higgins
Vice President, Treasurer, and Clerk

Jonathan S. Horwitz
Executive Vice President, Principal Executive Officer, and Compliance Liaison

Richard T. Kircher
Vice President and BSA Compliance Officer

Martin Lemaire
Vice President and Derivatives Risk Manager

Susan G. Malloy
Vice President and Assistant Treasurer

Alan G. McCormack
Vice President and Derivatives Risk Manager

Denere P. Poulack
Assistant Vice President, Assistant Clerk, and Assistant Treasurer

Janet C. Smith
Vice President, Principal Financial Officer, Principal Accounting Officer, and Assistant Treasurer

Stephen J. Tate
Vice President and Chief Legal Officer

Mark C. Trenchard
Vice President

Call 1-800-225-1581 Monday through Friday between 8:00 a.m. and 8:00 p.m. Eastern Time, or visit putnam.com anytime for up-to-date information about the fund's NAV.

This page left blank intentionally.

