

A world of investing.®



Putnam Managed Municipal Income Trust

Annual report
10 | 31 | 22



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

FUND SYMBOL
PMM

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10 | 31 | 22

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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 \$0.032. 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 19, 2022

Dear Fellow Shareholder:

Financial markets are reminding us that the journey to long-term returns often involves weathering periods of heightened volatility. This year, stocks and bonds have experienced losses, and U.S. gross domestic product has declined slightly. Persistent inflation has caused the U.S. Federal Reserve to raise interest rates, and it may maintain high interest rates in 2023 until inflation indicators move meaningfully lower.

While this environment is challenging, you can be confident that Putnam portfolio managers are working for you. Our teams are actively researching new and attractive investment opportunities for your fund while assessing risks.

We also would like to announce changes to the Board of Trustees. In July 2022, we welcomed Jennifer Williams Murphy and Marie Pillai as new Trustees. Both have a wealth of investment advisory and executive management experience. We also want to thank our Trustees who retired from the Board on June 30, 2022. Paul Joskow served with us since 1997, and Ravi Akhoury joined the Board in 2009. We wish them well.

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

About the fund

Potential for income exempt from federal income tax

Putnam Managed Municipal Income Trust has the flexibility to invest in municipal bonds issued by any U.S. state or territory. As a closed-end fund, it shares some common characteristics with open-end mutual funds, but there are some key differences that investors should understand as they consider their portfolio.



MORE ASSETS AT WORK

Open-end funds are subject to ongoing sales and redemptions that can generate transaction costs for long-term shareholders. Closed-end funds, however, 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. As a result, their prices fluctuate because of the influence of several factors.



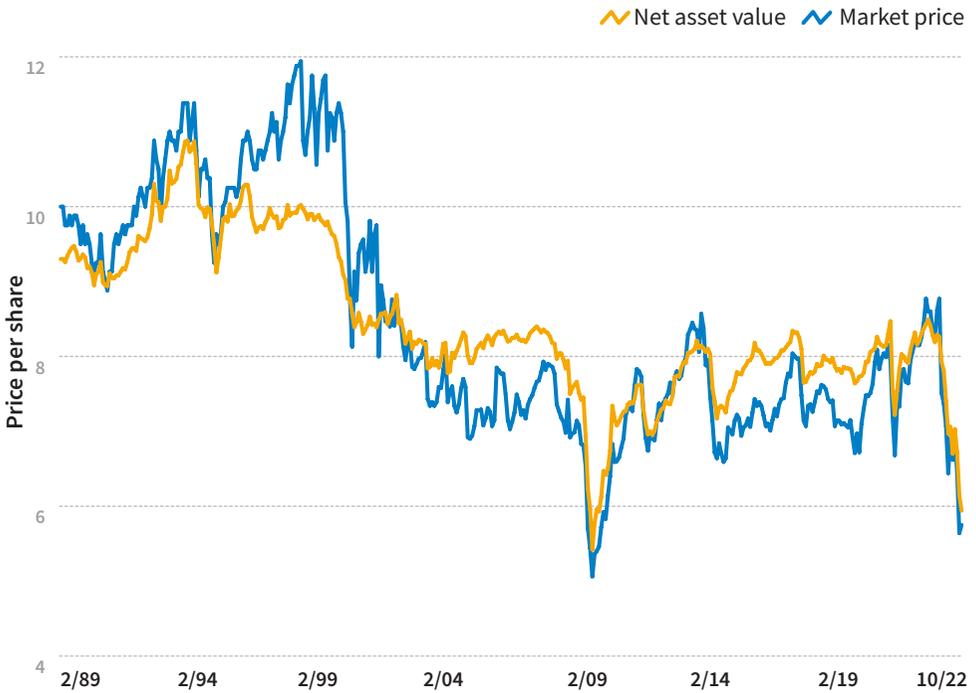
THEY HAVE A MARKET PRICE

Like an open-end fund, a closed-end fund has a per-share net asset value (NAV). However, closed-end funds also have a “market price” for their shares — which is how much you pay when you buy shares of the fund, and how much you receive when you sell them.

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 MANAGED MUNICIPAL INCOME TRUST

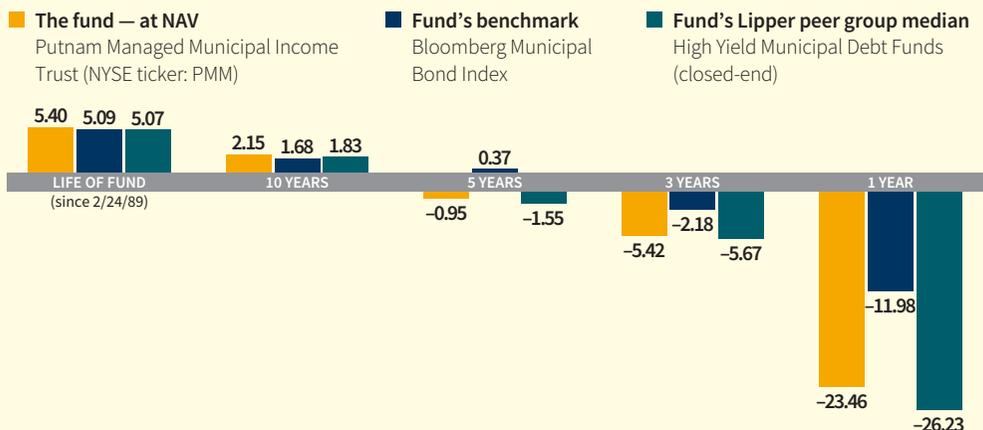


A mix of credit qualities

In addition to its flexible geographical focus, Putnam Managed Municipal Income Trust combines bonds of differing credit quality. The fund invests in high-quality bonds, but also includes an allocation to lower-rated bonds, which may offer higher income in return for more risk.

Performance history as of 10/31/22

Annualized total return (%) comparison

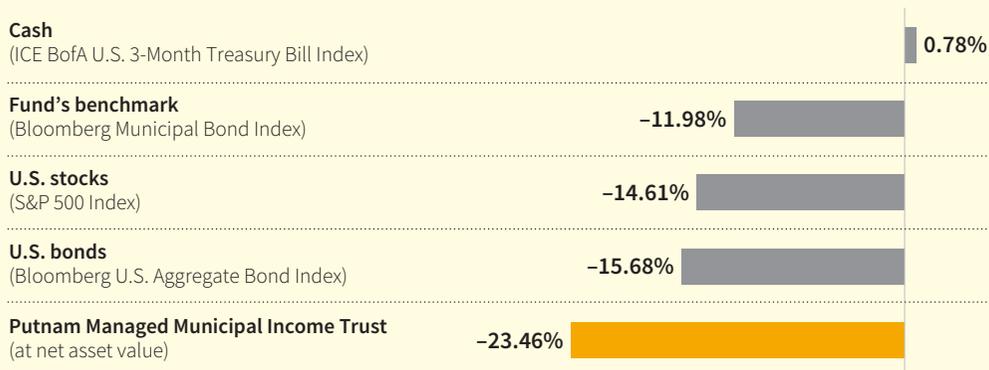


Data are historical. Past performance does not guarantee future results. More recent returns may be less or more than those shown. Investment return and net asset value (NAV) will fluctuate, and you may have a gain or a loss when you sell your shares. Performance assumes reinvestment of distributions and does not account for taxes. Fund returns in the bar chart are at NAV. See below and pages 10–11 for additional performance information, including fund returns at market price. Index and Lipper results should be compared with fund performance at NAV. Fund results reflect the use of leverage, while index results are unleveraged and Lipper results reflect varying use of, and methods for, leverage.

All Bloomberg indices are provided by Bloomberg Index Services Limited.

Lipper peer group median is provided by Lipper, a Refinitiv company.

Recent broad market index and fund performance



This comparison shows your fund's performance in the context of broad market indexes for the 12 months ended 10/31/22. See above and pages 10–11 for additional fund performance information. Index descriptions can be found on page 18.

All Bloomberg indices are provided by Bloomberg Index Services Limited.

Interview with your fund's portfolio manager

Paul Drury discusses the investment environment and fund performance for the 12 months ended October 31, 2022, as well his outlook for the fund.



Paul M. Drury, CFA
Portfolio Manager

Paul has a B.A. from Suffolk University. He has been in the investment industry since he joined Putnam in 1989.

Garrett L. Hamilton, CFA, is also a Portfolio Manager of the fund.

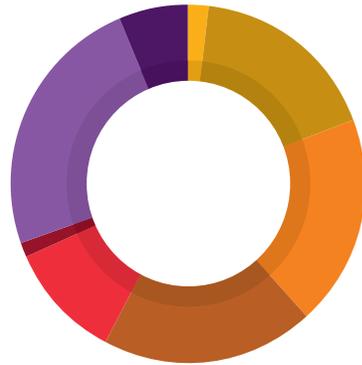
Paul, how did municipal bonds perform during the 12-month period ended October 31, 2022?

Despite their healthy credit fundamentals, municipal bonds succumbed to market pressures. Municipal bond prices fell and yields rose as the markets began pricing in a faster pace of monetary policy normalization. Geopolitical tensions also weighed on investor sentiment. As investors sought cash, municipal bond funds sold holdings to generate liquidity to meet redemptions. The municipal fund category experienced record outflows during the 10 months from January 2022 through October 2022, of over \$105 billion. This exerted further downward pressure on prices, resulting in increasingly difficult market technicals [supply/demand dynamics] for the asset class.

The Federal Reserve faced the difficult task of calibrating its monetary policy to achieve its price stability goals. From March through October, the Fed raised its federal funds benchmark interest rate six times. With inflation running more than four times the Fed's target inflation rate of 2%, the hikes included unusually large 0.75% increases in June, July, and September. The magnitude of these rate increases, along with announcements from other key central banks, further heightened worries about whether policymakers could

Credit quality overview

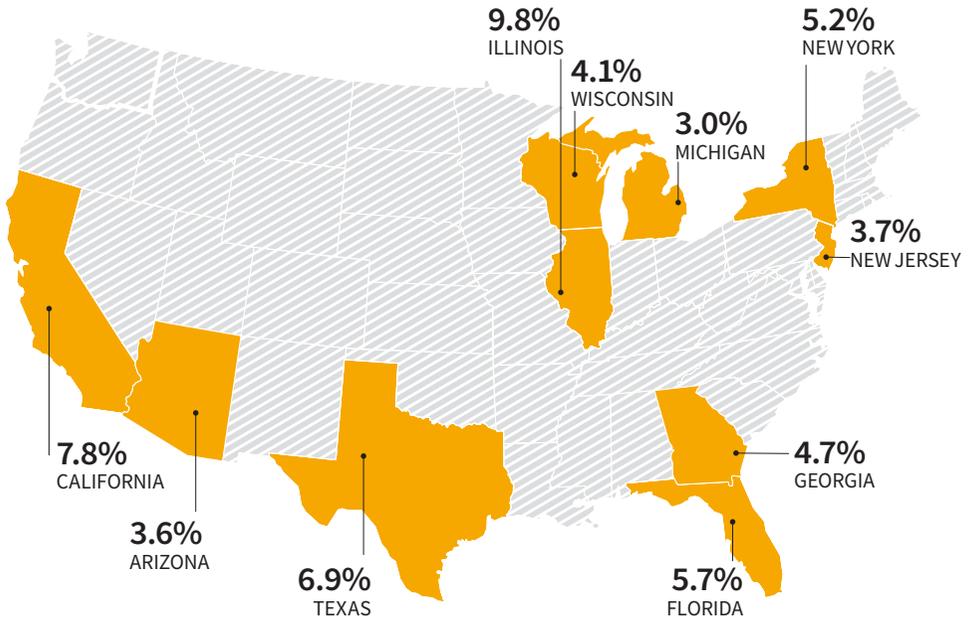
● AAA	1.9%
● AA	17.3
● A	19.1
● BBB	19.4
● BB	10.6
● B	1.3
● Not rated	24.1
● Cash and net other assets	6.3



Credit qualities are shown as a percentage of the fund's net assets (common and preferred shares) as of 10/31/22. A bond rated BBB or higher (SP-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 may vary over time.

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.

Top 10 geographic allocations



Top 10 geographic allocations are shown as a percentage of the fund's net assets (common and preferred shares) as of 10/31/22. Investments in Puerto Rico represented 1.4% of the fund's net assets. Summary information may differ from the portfolio schedule included in the financial statements due to the differing treatment of interest accruals, the floating-rate portion of tender option bonds, derivative securities, if any, and the use of different classifications of securities for presentation purposes. Holdings and allocations may vary over time.

cool inflation without tipping economies into recession.

By period-end, the Fed's short-term benchmark interest rate had risen from a range of 0.00%–0.25% to 3.00%–3.25%. At its September meeting, the Fed affirmed that ongoing interest-rate increases were appropriate and forecasted its target rate range to be 4.25%–4.50% by the end of 2022. It also lowered the U.S. growth forecast for 2022, 2023, and 2024.

For the 12 months ended October 31, 2022, the Bloomberg Municipal Bond Index [the fund's benchmark] returned –11.98%, outperforming the broader U.S. fixed income markets, as measured by the Bloomberg U.S. Aggregate Bond Index. Short- and intermediate-term municipal bonds outperformed longer-term cohorts. From a credit perspective, investment-grade municipal bonds held up better than higher-yielding, lower-rated bonds in the risk-off environment.

How did the fund perform during the reporting period?

For the 12 months ended October 31, 2022, the fund underperformed its benchmark but outperformed the median return of its Lipper peer group, High Yield Municipal Debt Funds [closed-end].

What strategies or holdings influenced the fund's performance during the reporting period?

With the significant sell-off in fixed income in early 2022, we believed municipal bonds had become more attractive. We extended the portfolio's duration, a measure of the fund's interest-rate sensitivity. At period-end, the fund's duration was slightly long relative to the average level of its Lipper peer group. We believe this positioning may help the fund outperform its peers if the year-to-date rise in bond yields reverses course.

At period-end, the fund held an overweight exposure to bonds rated BBB and BB relative to the benchmark. We have become more cautious on lower-rated municipal bonds due to our view that the Fed's aggressive tightening cycle could result in slower U.S. economic growth in 2023. Thus, the fund was underweight high-yield bonds relative to its Lipper peers at

“Credit fundamentals are strong and valuations are attractive, in our view.”

Paul Drury

period-end. We are instead favoring higher-rated investments. Investment-grade securities tend to outperform higher-yielding, lower-rated bonds during economic slowdowns. While credit spreads widened over the period, creating what we perceived as attractive buying opportunities, they were not excessively wide versus previous recessionary periods, in our view.

From a sector- or industry-positioning perspective, we favored land-secured, charter school, and continuing-care retirement community revenue bonds compared with the fund's Lipper peer group.

The fund remained underweight in its exposure to Puerto Rico municipal debt relative to its Lipper peer group. However, we have become somewhat more optimistic about the U.S. territory's credit fundamentals. In March 2022, Puerto Rico ended its nearly five-year bankruptcy with a plan to restructure its debt, resume payments to bondholders, and restore its public pension system. We continue to monitor Puerto Rico debt for potential investment opportunities.

What is your current assessment of the health of the municipal bond market?

Municipal credit fundamentals continue to be strong, in our view. Higher employment and increasing wages continue to bolster tax receipts. Home values, a factor in property tax revenues, have recently begun to face headwinds in the form of rising mortgage rates. We believe assessed values should continue to reflect growth given the roughly two-year lag between tax assessments and actual property values.

State and local tax collections were up 18% year over year through July 2022 compared with the same period in 2021 [the most recent data available]. Unprecedented fiscal support during the Covid-19 pandemic, as well as strong economic growth during the second half of 2020 and 2021, put most state and

local governments in their best fiscal shape in more than a decade, in our view. Although we believe pension funding will likely fall in 2022 due to capital market returns, most large public pensions entered 2022 in their best fiscal shape in over 10 years. Finally, municipal defaults are running below long-term averages year to date through October 31, 2022, and they remain a very small percentage of the market. As such, we believe the credit outlook remains favorable.

What is your outlook as we approach the end of 2022?

On November 2, 2022, after the close of the reporting period, the Fed announced its fourth consecutive interest-rate increase of 0.75% in less than six months. This most recent hike brought the Fed’s benchmark interest rate to a range of 3.75%–4.00%. In a post-meeting statement, Fed Chair Jerome Powell stated that it was “premature” to expect a pause on interest-rate hikes. Later in the month, however, investors were heartened to see that the year-over-year pace of inflation, as measured by the Consumer Price Index, had moderated to 7.7% in October 2022.

Although we believe inflation has peaked in this cycle, U.S. economic data remains relatively

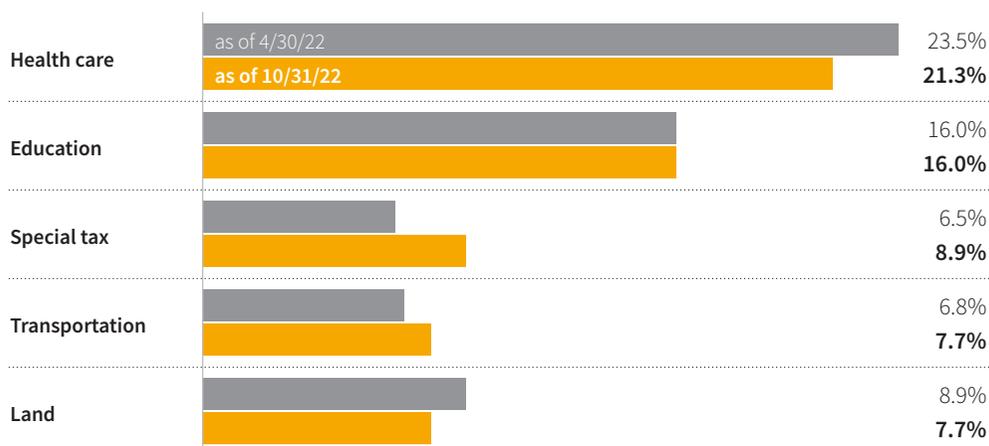
strong, in our view. Especially noteworthy, in our view, is the low unemployment rate, which has been helped by strong gains in recent months. This will likely keep the Fed on track to continue ratcheting up interest rates to slow growth and the jobs market into 2023, in our view.

Negative returns, market volatility, and weak supply/demand technicals have contributed to record municipal bond fund outflows. However, we see room for optimism. Credit fundamentals are strong and valuations are attractive, in our view.

What were the fund’s distributions during the period?

The fund’s distributions are fixed at a targeted rate. The targeted rate is not expected to vary with each distribution but may change from time to time. During the last fiscal year, the fund made monthly distributions totaling \$0.384 per share, which were characterized as \$0.030085 per share of net realized gain, \$0.2874042 per share of net investment income, and \$0.066511 per share return of capital. Of the fund’s return of capital, the entire amount was the result of the fund’s targeted distribution policy. Distributions of capital decrease the fund’s total assets and total assets per share and, therefore, could have

Comparison of top sector weightings



This chart shows how the fund’s top weightings have changed over the past six months. Allocations are shown as a percentage of the fund’s net assets (common and preferred shares). Current period summary information may differ from the information in the portfolio schedule notes included in the financial statements due to the inclusion of derivative securities, any interest accruals, the timing of matured security transactions, the use of different classifications of securities for presentation purposes, and rounding. Holdings and allocations may vary over time.

the effect of increasing the fund’s expense ratio. In general, the policy of fixing the fund’s distributions at a targeted rate does not affect the fund’s investment strategy. However, in order to make these distributions, on occasion the fund may have to sell portfolio securities at a less than opportune time. [Please see the Distributions to shareholders note on page 56 for more information on fund distributions.]

Thank you, Paul, for your time and insights today.

The views expressed in this report are exclusively those of Putnam Management and are subject to change. Disclosures provide only a summary of certain changes that have occurred in the past fiscal period, which may not reflect all of the changes that have occurred since an investor purchased the fund. They are not meant as investment advice.

Please note that the holdings discussed in this report may not have been held by the fund for the entire period. Portfolio composition is subject to review in accordance with the fund’s investment strategy and may vary in the future. Current and future portfolio holdings are subject to risk. Statements in the Q&A concerning the fund’s performance or portfolio composition relative to those of the fund’s Lipper peer group may reference information produced by Lipper Inc. or through a third party.

HOW CLOSED-END FUNDS DIFFER FROM OPEN-END FUNDS

Closed-end funds and open-end funds share many common characteristics but also have some key differences that you should understand as you consider your portfolio strategies.

More assets at work Open-end funds are subject to ongoing sales and redemptions that can generate transaction costs for long-term shareholders. Closed-end funds, however, 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.

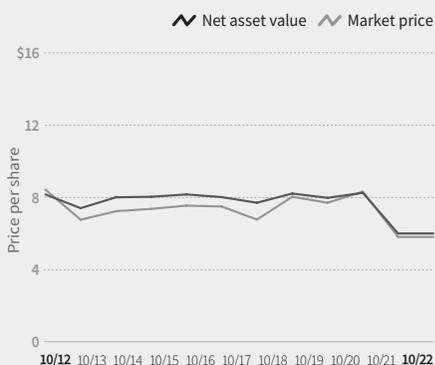
Traded like stocks Closed-end fund shares are traded on stock exchanges and, as a result, their prices fluctuate because of the influence of several factors.

They have a market price Like an open-end fund, a closed-end fund has a per-share net asset value (NAV). However, closed-end funds also have a “market price” for their shares — 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. A fund’s performance at market price typically differs from its results at NAV.

Putnam Managed Municipal Income Trust



Your fund's performance

This section shows your fund's performance, price, and distribution information for periods ended October 31, 2022, the end of its most recent fiscal year. In accordance with regulatory requirements for mutual funds, we also include performance information as of the most recent calendar quarter-end. Performance should always be considered in light of a fund's investment strategy. Data represent past performance. Past performance does not guarantee future results. More recent returns may be less or more than those shown. Investment return, net asset value, and market price will fluctuate, and you may have a gain or a loss when you sell your shares.

Annualized fund performance

Total return and comparative index results for periods ended 10/31/22

	Life of fund (since 2/24/89)	10 years	5 years	3 years	1 year
Net asset value	5.40%	2.15%	-0.95%	-5.42%	-23.46%
Market price	5.18	1.77	-0.06	-5.67	-26.35
Bloomberg Municipal Bond Index	5.09	1.68	0.37	-2.18	-11.98
Lipper High Yield Municipal Debt Funds (closed-end) category median*	5.07	1.83	-1.55	-5.67	-26.23

Performance assumes reinvestment of distributions and does not account for taxes.

Index and Lipper results should be compared with fund performance at net asset value. Fund results reflect the use of leverage, while index results are unleveraged and Lipper results reflect varying use of, and methods for, leverage.

All Bloomberg indices are provided by Bloomberg Index Services Limited.

Lipper peer group median is provided by Lipper, a Refinitiv company.

* Over the 1-year, 3-year, 5-year, 10-year, and life-of-fund periods ended 10/31/22, there were 16, 13, 11, 11, and 6 funds, respectively, in this Lipper category.

Performance includes the deduction of management fees and administrative expenses.

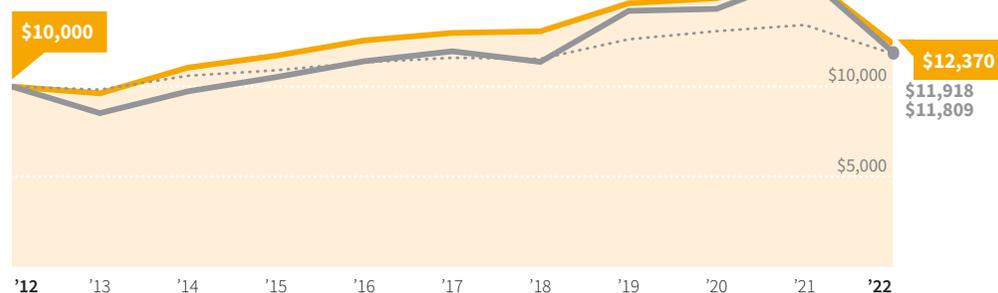
Change in the value of a \$10,000 investment

Cumulative total return from 10/31/12 to 10/31/22

Putnam Managed Municipal Income Trust at net asset value

Putnam Managed Municipal Income Trust at market price

Bloomberg Municipal Bond Index



Past performance does not indicate future results.

Fund price and distribution information For the 12-month period ended 10/31/22

Distributions		
Number	12	
Income ¹	\$0.287404	
Capital gains ²		
Long-term gains	0.004228	
Short-term gains	0.025857	
Return of capital*	0.066511	
Total	\$0.384000	
Distributions — preferred shares	Series A (240 shares)	Series C (1,507 shares)
Number		
Income ¹	\$1,291.43	\$701.93
Capital gains ²	10.20	5.30
Total	\$1,301.63	\$707.23
Share value	NAV	Market price
10/31/21	\$8.19	\$8.25
10/31/22	5.94	5.75
Current dividend rate (end of period)	NAV	Market price
Current dividend rate ³	6.46%	6.68%
Taxable equivalent ⁴	10.91	11.28

The classification of distributions, if any, is an estimate. Final distribution information will appear on your year-end tax forms.

* See page 62.

¹ For some investors, investment income may be subject to the federal alternative minimum tax. Income from federally exempt funds may be subject to state and local taxes.

² Capital gains, if any, are taxable for federal and, in most cases, state purposes.

³ Most recent distribution, including any return of capital and excluding capital gains, annualized and divided by net asset value or market price at end of period.

⁴ Assumes maximum 40.80% federal tax rate for 2022. Results for investors subject to lower tax rates would not be as advantageous.

Annualized fund performance as of most recent calendar quarter

Total return for periods ended 9/30/22

	Life of fund (since 2/24/89)	10 years	5 years	3 years	1 year
Net asset value	5.50%	2.52%	-0.34%	-4.53%	-21.85%
Market price	5.12	1.47	-0.82	-5.76	-28.65

See the discussion following the fund performance table on page 10 for information about the calculation of fund performance.

Information about the fund's goal, investment strategies, principal risks, and fundamental investment policies

Goal

The goal of the fund is to seek a high level of current income exempt from federal income tax.

The fund's main investment strategies and related risks

This section contains detail regarding the fund's main investment strategies and the related risks you face as a fund shareholder. It is important to keep in mind that risk and reward generally go hand in hand; the higher the potential reward, the greater the risk.

The fund intends to achieve its goal by investing in a diversified portfolio of tax-exempt municipal securities which Putnam Management believes does not involve undue risk to income or principal. Up to 60% of the fund's assets may consist of high-yield tax-exempt municipal securities that are below investment grade and involve special risk considerations. 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.

- **Tax-exempt investments.** These investments are issued by or for states, territories or possessions of the United States or by their political subdivisions, agencies, authorities or other government entities, and the income from these investments is exempt from federal income tax. These investments are issued to raise money for public purposes, such as loans for the construction of housing, schools or hospitals, or to provide temporary financing in anticipation of the receipt of taxes and other revenue. They also include private activity obligations of public authorities to finance privately owned or operated facilities. Changes in law or adverse determinations by the Internal Revenue Service could make the income from some of these obligations taxable.

Interest income from private activity bonds may be subject to federal AMT for individuals. Corporate shareholders will be required to include all exempt interest dividends in determining their federal AMT. For more information, including possible state, local and other taxes, contact your tax advisor.

- **General obligations.** These are backed by the issuer's authority to levy taxes and are considered an obligation of the issuer. They are payable from the issuer's general unrestricted revenues,

although payment may depend upon government appropriation or aid from other governments. These investments may be vulnerable to legal limits on a government's power to raise revenue or increase taxes, as well as economic or other developments that can reduce revenues.

- **Revenue obligations.** These are payable from revenue earned by a particular project or other revenue source. They include private activity bonds such as industrial development bonds, which are paid only from the revenues of the private owners or operators of the facilities. Investors can look only to the revenue generated by the project or the private company operating the project rather than the credit of the state or local government authority issuing the bonds. Revenue obligations may be subject to greater credit risk than general obligations because of the relatively limited source of revenue.
- **Tender option bonds.** The fund may leverage its assets through the use of proceeds received through tender option bond transactions. In a tender option bond transaction, the fund transfers a fixed-rate municipal bond to a special purpose entity trust (TOB trust) sponsored by a broker. The TOB trust funds the purchase of the fixed rate bonds by issuing short-term 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 be liquidated. The fund will look through to the underlying municipal bond held by a TOB trust for purposes of the fund's 80% policy.
- **Interest rate risk.** The values of bonds and other debt instruments usually rise and fall in response to changes in interest rates. Interest rates can change in response to the supply and demand for credit, government and/or central bank monetary policy and action, inflation rates, and other factors. Declining interest rates generally result in an increase in the value of existing debt instruments, and rising interest rates generally result in a decrease in the value of existing debt instruments. Changes in a debt instrument's value usually will not affect the amount of interest income paid to the fund, but will affect the value of the fund's shares. Interest rate risk is generally greater for

investments with longer maturities, which may be subject to greater price fluctuations than shorter maturity securities.

Some investments give the issuer the option to call or redeem an investment before its maturity date. If an issuer calls or redeems an investment during a time of declining interest rates, we might have to reinvest the proceeds in an investment offering a lower yield, and, therefore, the fund might not benefit from any increase in value as a result of declining interest rates.

- **Credit risk.** Investors normally expect to be compensated in proportion to the risk they are assuming. Thus, debt of issuers with poor credit prospects usually offers higher yields than debt of issuers with more secure credit. Higher-rated investments generally have lower credit risk.

We invest in a combination of higher-rated and lower-rated investments. The fund's lower-rated investments consist of higher-yielding, higher-risk debt securities that are rated below BBB or its equivalent at the time of purchase by a nationally recognized securities rating agency rating the investment, or are unrated investments that we think are of comparable quality. We may invest up to 60% of the fund's total assets in debt investments rated, at the time of purchase, BB and below or its equivalent by each agency rating such investments, including investments in the lowest rating category of the rating agency, and in unrated investments that we think are of comparable quality. We will not necessarily sell an investment if its rating is reduced after we buy it.

Investments rated below BBB or its equivalent are below-investment-grade (sometimes referred to as "junk bonds") and may be considered speculative. This rating reflects a greater possibility that the issuers may be unable to make timely payments of interest and principal and thus default. If default occurs, or is perceived as likely to occur, the value of the investment will usually be more volatile and is likely to fall. The value of a debt instrument may also be affected by changes in, or perceptions of, the financial condition of the issuer, borrower, counterparty, or other entity, or underlying collateral or assets, or changes in, or perceptions of, specific or general market, economic, industry, political, regulatory, geopolitical, environmental, public health, and other conditions. A default or expected default could also make it difficult for us to sell the investment at a price approximating the value we had previously placed on it. Tax-exempt debt, particularly lower-rated tax-exempt debt, usually has a more limited market than taxable debt, which may at times make it difficult for us to

buy or sell certain debt instruments or to establish their fair value. Credit risk is generally greater for investments that are required to make interest payments only at maturity rather than at intervals during the life of the investment.

Credit ratings are based largely on the issuer's historical financial condition and a rating agency's investment analysis at the time of rating. The rating assigned to any particular investment does not necessarily reflect the issuer's current financial condition, and does not reflect an assessment of the investment's volatility or liquidity. Although we consider credit ratings in making investment decisions, we perform our own investment analysis and do not rely only on ratings assigned by the rating agencies. The amount of information about the financial condition of issuers of tax-exempt debt may not be as extensive as that which is made available by companies whose stock or debt is publicly traded. Our success in achieving the fund's investment objective may depend more on our own credit analysis when we buy lower-quality bonds than when we buy higher quality bonds.

We may have to participate in legal proceedings or take possession of and manage assets that secure the issuer's obligations. Our ability to enforce rights in bankruptcy proceedings may be more limited than would be the case for taxable debt. This could increase the fund's operating expenses and decrease its net asset value. Any income that arises from ownership or operation of assets would be taxable.

Although investment-grade investments generally have lower credit risk, they may share some of the risks of lower-rated investments.

Bond investments may be more susceptible to downgrades or defaults during economic downturns or other periods of economic stress, which in turn could affect the market values and marketability of many or all bond obligations of issuers in a state, U.S. territory, or possession. For example, the novel coronavirus (Covid-19) pandemic has significantly stressed the financial resources of many tax-exempt debt issuers. This may make it less likely that issuers can meet their financial obligations when due and may adversely impact the value of their bonds, which could negatively impact the performance of the fund. In light of the uncertainty surrounding the magnitude, duration, reach, costs and effects of the Covid-19 pandemic, as well as actions that have been or could be taken by governmental authorities or other third parties, it is difficult to predict the level of financial stress and duration of such stress issuers may experience.

We may buy investments that are insured as to the payment of principal and interest in the event the issuer defaults. Any reduction in the insurer's ability to pay claims may adversely affect the value of insured investments and, consequently, the value of the fund's shares.

• **Focus of investments.** We may make significant investments in a particular segment of the tax-exempt debt market, such as tobacco settlement bonds or revenue bonds for health care facilities, housing or airports. We may also make significant investments in the debt of issuers located in the same state. These investments may cause the value of the fund's shares to fluctuate more than the values of shares of funds that invest in a greater variety of investments. Certain events may adversely affect all investments within a particular market segment. Examples include legislation or court decisions, concerns about pending legislation or court decisions, and lower demand for the services or products provided by a particular market segment. Investing in issuers located in the same state may make the fund more vulnerable to that state's economy and to factors affecting its tax-exempt issuers, such as their ability to collect revenues to meet payment obligations.

At times, the fund and other accounts that Putnam Management and its affiliates manage may own all or most of the debt of a particular issuer. This concentration of ownership may make it more difficult to sell, or to determine the fair value of, these investments.

• **Derivatives.** We may engage in a variety of transactions involving derivatives, such as municipal rate locks, futures and swap contracts, although they do not represent a primary focus of the fund. Derivatives are financial instruments whose value depends upon, or is derived from, the value of something else, such as one or more underlying investments, pools of investments or indexes. We may make use of "short" derivatives positions, the values of which typically move in the opposite direction from the price of the underlying investment, pool of investments, or index. We may use derivatives both for hedging and non-hedging purposes, such as to modify the behavior of an investment so that it responds differently than it would otherwise respond to changes in a particular interest rate or to modify the fund's duration. Derivatives may increase or decrease an investment's exposure to long- or short-term interest rates or cause the value of an investment to move in the opposite direction from prevailing short-term or long-term interest rates. For example, we may use interest rate swaps to hedge or gain exposure to interest rate risk, or to hedge or gain exposure

to inflation. In addition, we may use derivatives to adjust the term of U.S. Treasury security exposure and adjust the fund's positioning on the yield curve (a line that plots interest rates of bonds having equal credit quality but differing maturity dates) or to take tactical positions along the yield curve. We may also use derivatives as a substitute for a direct investment in the securities of one or more issuers. However, we may also choose not to use derivatives, based on our evaluation of market conditions or the availability of suitable derivatives. Investments in derivatives may be applied toward meeting a requirement to invest in a particular kind of investment if the derivatives have economic characteristics similar to that investment.

Derivatives involve special risks and may result in losses. The successful use of derivatives depends on our ability to manage these sophisticated instruments. Some derivatives are "leveraged," which means they provide the fund with investment exposure greater than the value of the fund's investment in the derivatives. As a result, these derivatives may magnify or otherwise increase investment losses to the fund. The risk of loss from certain short derivatives positions is theoretically unlimited. The value of derivatives may move in unexpected ways due to unanticipated market movements, the use of leverage, imperfect correlation between the derivative instrument and the reference asset, or other factors, especially in unusual market conditions, and volatility in the value of derivatives could adversely impact the fund's returns, obligations and exposures.

Other risks arise from the potential inability to terminate or sell derivatives positions. Derivatives may be subject to liquidity risk due to the fund's obligation to make payments of margin, collateral, or settlement payments to counterparties. A liquid secondary market may not always exist for the fund's derivatives positions. In fact, certain over-the-counter instruments (investments not traded on an exchange) may not be liquid. Over-the-counter instruments also involve the risk that the other party to the derivative transaction may not be willing or able to meet its obligations with respect to the derivative transaction. The risk of a party failing to meet its obligations may increase if the fund has significant exposure to that counterparty. Derivative transactions may also be subject to operational risk, including due to documentation and settlement issues, system failures, inadequate controls and human error, and legal risk due to insufficient documentation, insufficient capacity or authority of a counterparty, or issues with respect to legality or enforceability of the derivative contract.

- **Preferred share leverage risk.** Leverage from the issuance of preferred shares creates risks, including the likelihood of greater volatility of net asset value and market price of, and distributions from, the fund's common shares and the risk that fluctuations in dividend rates on preferred shares may affect the return to common shareholders. If the income from the investments purchased with proceeds received from leverage is not sufficient to cover the cost of leverage, the amount of income available for distribution to common shareholders will be less than if leverage had not been used. While the fund has preferred shares outstanding, an increase in short-term interest rates could result in an increased cost of leverage, which could adversely affect the fund's income available for distribution to common shareholders. In connection with its preferred shares, the fund is required to maintain specified asset coverage mandated by applicable federal securities laws and by the fund's Amended and Restated Bylaws. The fund may be required to dispose of portfolio investments on unfavorable terms if market fluctuations or other factors cause the required asset coverage to be less than the prescribed amount. There can be no assurance that a leveraging strategy will be successful.

- **Liquidity and illiquid investments.** We may invest the fund's assets in illiquid investments, which may be considered speculative and which may be difficult to sell. The sale of many of these investments is prohibited or limited by law or contract. Some investments may be difficult to value for purposes of determining the fund's net asset value. Certain other investments may not have an active trading market due to adverse market, economic, industry, political, regulatory, geopolitical, environmental, public health, and other conditions, including investors trying to sell large quantities of a particular investment or type of investment, or lack of market makers or other buyers for a particular investment or type of investment. We may not be able to sell the fund's illiquid investments when we consider it desirable to do so, or we may be able to sell them only at less than their value.

- **Market risk.** The value of investments in the fund's portfolio may fall or fail to rise over extended periods of time for a variety of reasons, including general economic, political or financial market conditions, investor sentiment and market perceptions (including perceptions about monetary policy, interest rates or the risk of default); government actions (including protectionist measures, intervention in the financial markets or other regulation, and changes in fiscal, monetary or tax policies); geopolitical events or

changes (including natural disasters, epidemics or pandemics, terrorism and war); and factors related to a specific issuer, geography, industry or sector. These and other factors may lead to increased volatility and reduced liquidity in the fund's portfolio holdings. These risks may be exacerbated during economic downturns or other periods of economic stress.

The novel coronavirus (Covid-19) pandemic and efforts to contain its spread have negatively affected, and are likely to continue to negatively affect, the global economy, the economies of the United States and other individual countries, and the financial performance of individual issuers, sectors, industries, asset classes, and markets in significant and unforeseen ways. The Covid-19 pandemic has resulted in significant market volatility, exchange trading suspensions and closures, declines in global financial markets, higher default rates, and economic downturns and recessions, and these effects may continue for an extended period of time and may increase in severity over time. In addition, actions taken by government and quasi-governmental authorities and regulators throughout the world in response to the Covid-19 pandemic, including significant fiscal and monetary policy changes, may affect the value, volatility, and liquidity of some securities and other assets. Given the significant uncertainty surrounding the magnitude, duration, reach, costs and effects of the Covid-19 pandemic, as well as actions that have been or could be taken by governmental authorities or other third parties, it is difficult to predict its potential impacts on the fund's investments. The effects of the COVID-19 pandemic also are likely to exacerbate other risks that apply to the fund, including the risks disclosed in this prospectus, which could negatively impact the fund's performance and lead to losses on your investment in the fund.

- **Management and operational risk.** The fund is actively managed and its performance will reflect, in part, our ability to make investment decisions that seek to achieve the fund's investment objective. There is no guarantee that the investment techniques, analyses, or judgments that we apply in making investment decisions for the fund will produce the intended outcome or that the investments we select for the fund will perform as well as other securities that were not selected for the fund. As a result, the fund may underperform its benchmark or other funds with a similar investment goal and may realize losses. In addition, we, or the fund's other service providers, may experience disruptions or operating errors that could negatively impact the fund. Although service providers may have operational risk management policies and

procedures and take appropriate precautions to avoid and mitigate risks that could lead to disruptions and operating errors, it may not be possible to identify all of the operational risks that may affect the fund or to develop processes and controls to completely eliminate or mitigate their occurrence or effects.

- **Other investments.** In addition to the main investment strategies described above, the fund may also make other types of investments, which may produce taxable income and be subject to other risks. The fund may also invest in cash or cash equivalents, including money market instruments or short-term instruments such as commercial paper, bank obligations (e.g., certificates of deposit and bankers' acceptances), repurchase agreements, and U.S. Treasury bills or other government obligations. The fund may also from time to time invest all or a portion of its cash balances in money market and/or short-term bond funds advised by Putnam Management or its affiliates. The percentage of the fund invested in cash and cash equivalents and such money market and short-term bond funds is expected to vary over time and will depend on various factors, including market conditions, and our assessment of the cash level that is appropriate to allow the fund to pursue investment opportunities as they arise. Large cash positions may dampen performance and may prevent the fund from achieving its goal.
- **Temporary defensive strategies.** In response to adverse market, economic, political or other conditions, we may take temporary defensive positions, such as investing some or all of the fund's assets in cash and cash equivalents, that differ from the fund's usual investment strategies. However, we may choose not to use these temporary defensive strategies for a variety of reasons, even in very volatile market conditions. If we do employ these strategies, the fund may miss out on investment opportunities and may not achieve its goal. Additionally, while temporary defensive strategies are mainly designed to limit losses, they may not work as intended.
- **Changes in policies.** The Trustees may change the fund's goal, investment strategies and other policies without shareholder approval, except in circumstances in which shareholder approval is specifically required by law (such as changes to fundamental investment policies) or where a shareholder approval requirement was specifically disclosed in the fund's prospectus, statement of additional information or shareholder report and is otherwise still in effect.

The fund's fundamental investment policies

The fund has adopted the following investment restrictions which may not be changed without the affirmative vote of a "majority of the outstanding voting securities" of the fund (which is defined in the Investment Company Act of 1940, as amended, (the "1940 Act") to mean the affirmative vote of the lesser of (1) more than 50% of the outstanding common shares and outstanding preferred shares of the fund, each voting as a separate class, or (2) 67% or more of the outstanding common shares and of the outstanding preferred shares, each voting as a separate class, present at a meeting if more than 50% of the outstanding shares of each class are represented at the meeting in person or by proxy).

Under normal market conditions, the fund invests at least 80% of its assets in tax-exempt municipal securities.

Additionally, the fund may not:

1. Issue senior securities, as defined in the 1940 Act, other than shares of beneficial interest with preference rights, except to the extent such issuance might be involved with respect to borrowings described under restriction [regarding borrowing] below or with respect to transactions involving futures contracts or the writing of options within the limits described in the prospectus.
2. Borrow money, except that the fund may borrow amounts not exceeding 15% of the value (taken at the lower of cost or current value) of its total assets (not including the amount borrowed) at the time the borrowing is made for temporary purposes (including repurchasing its shares while effecting an orderly liquidation of portfolio securities) or for emergency purposes.
3. Underwrite securities issued by other persons except to the extent that, in connection with the disposition of its portfolio investments, it may be deemed to be an underwriter under the federal securities laws.
4. Purchase or sell real estate, although it may purchase securities of issuers which deal in real estate, securities which are secured by interests in real estate, and securities which represent interests in real estate, and it may acquire and dispose of real estate or interests in real estate acquired through the exercise of its rights as a holder of debt obligations secured by real estate or interests therein.
5. Purchase or sell commodities or commodity contracts, except that the fund may purchase and sell financial futures contracts and options and may enter into foreign exchange contracts

and other financial transactions not involving physical commodities.

6. Make loans, except by purchase of debt obligations in which the fund may invest consistent with its investment policies (including without limitation debt obligations issued by other Putnam funds), by entering into repurchase agreements or by lending its portfolio securities.

7. With respect to 75% of its total assets, invest in the securities of any issuer if, immediately after such investment, more than 5% of the total assets of the fund (taken at current value) would be invested in the securities of such issuer; provided that this

limitation does not apply to obligations issued or guaranteed as to interest or principal by the U.S. Government or its agencies or instrumentalities.

8. With respect to 75% of its total assets, acquire more than 10% of the outstanding voting securities of any issuer.

9. Purchase securities (other than securities of the U.S. Government, its agencies or instrumentalities or tax-exempt securities, except tax-exempt securities backed only by the assets and revenues of non-governmental issuers) if, as a result of such purchase, more than 25% of the fund's total assets would be invested in any one industry.

Terms and definitions

Important terms

Total return shows how the value of the fund's shares changed over time, assuming you held the shares through the entire period and reinvested all distributions in the fund.

Net asset value (NAV) is the value of all your fund's assets, minus any liabilities, divided by the number of outstanding shares.

Market price is the current trading price of one share of the fund. Market prices are set by transactions between buyers and sellers on exchanges such as the New York Stock Exchange.

Fixed income terms

Current rate is the annual rate of return earned from dividends or interest of an investment. Current rate is expressed as a percentage of the price of a security, fund share, or principal investment.

Yield curve is a graph that plots the yields of bonds with equal credit quality against their differing maturity dates, ranging from shortest to longest. It is used as a benchmark for other debt, such as mortgage or bank lending rates.

Comparative indexes

Bloomberg Municipal Bond Index is an unmanaged index of long-term, fixed-rate, investment-grade tax-exempt bonds.

Bloomberg U.S. Aggregate Bond Index is an unmanaged index of U.S. investment-grade fixed income securities.

ICE BofA (Intercontinental Exchange Bank of America) U.S. 3-Month Treasury Bill Index is an unmanaged index that seeks to measure the performance of U.S. Treasury bills available in the marketplace.

S&P 500® Index is an unmanaged index of common stock performance.

Indexes assume reinvestment of all distributions and do not account for fees. Securities and performance of a fund and an index will differ. You cannot invest directly in an index.

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Lipper, a Refinitiv company, is a third-party industry-ranking entity that ranks mutual funds. Its rankings do not reflect sales charges. Lipper rankings are based on total return at net asset value relative to other funds that have similar current investment styles or objectives as determined by Lipper. Lipper may change a fund's category assignment at its discretion. Lipper category medians reflect performance trends for funds within a category.

Other information for shareholders

Important notice regarding share repurchase program

In September 2022, 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, 2022, up to 10% of the fund's common shares outstanding as of September 30, 2022.

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 mutual 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, 2022, 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.

Prior to its use of Form N-PORT, the fund filed its complete schedule of its portfolio holdings with the SEC on Form N-Q, which is available online 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 mutual funds. As of October 31, 2022, Putnam employees had approximately \$449,000,000 and the Trustees had approximately \$60,000,000 invested in Putnam mutual 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.

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 contract

General conclusions

The Board of Trustees of The Putnam Funds 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 Investment Management, LLC ("Putnam Management") and the sub-management contract with respect to your fund between Putnam Management and its affiliate, Putnam Investments Limited ("PIL"). The Board, 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 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 Funds ("Independent Trustees").

At the outset of the review process, members of the Board's 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 2022, 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's independent staff and by independent legal counsel for The Putnam Funds and the Independent Trustees.

In May 2022, the Contract Committee met in executive session to discuss and consider its recommendations with respect to the continuance of the contracts. At the Trustees' June 2022 meeting, the Contract Committee 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 then presented its written report, which summarized the key factors that the Committee had considered and set forth its recommendations. The Contract Committee recommended, and the Independent Trustees approved, the continuance of your fund's management contract and the approval of your fund's amended and restated sub-management contract, effective July 1, 2022. (Because PIL is an affiliate of Putnam Management and Putnam Management remains fully responsible for all services provided by PIL, the Trustees have not attempted to evaluate PIL as a separate entity, and all subsequent references to Putnam Management below should be deemed to include reference to PIL as necessary or appropriate in the context.)

The Independent Trustees' approval was 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 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.

Management fee schedules and total expenses

The Trustees reviewed the management fee schedules in effect for all Putnam funds, including fee levels and 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 because your fund is a closed-end management investment company, it has relatively stable levels of assets under management and is not expected to be affected significantly by breakpoints in its management fee schedule. 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. (Two funds have implemented so-called "all-in" management fees covering substantially all routine fund operating costs.) The Trustees considered that the proposed amended and restated sub-management contract would lower the sub-management fees paid by Putnam Management to PIL.

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 mutual 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 second quintile in total expenses as of December 31, 2021. 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, 2021 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, investor servicing and distribution services provided to the funds. 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 the funds' management, distribution and investor servicing contracts. For each fund, the analysis presented information about revenues, expenses and profitability for each of the 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 the Putnam 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 Putnam funds at that time.

The information examined by the Trustees in connection with their annual contract review for the Putnam 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 exchange-traded funds. 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 Putnam funds, as well as an assessment of the differences in the services provided to these clients as compared to the services provided to the Putnam funds. The Trustees observed that the differences in fee rates between these clients and the Putnam 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 mutual funds than for other clients, and the Trustees also considered the differences between the services that Putnam Management provides to the Putnam 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, the Putnam funds' performance was generally solid in 2021 against a backdrop of strong U.S. economic and financial market growth. The Trustees considered Putnam Management's observation that, despite an environment of generally strong growth, there had been various headwinds experienced in 2021. For the one-year period ended December 31, 2021, the Trustees noted that the Putnam funds, on an asset-weighted basis, ranked in the 52nd percentile of their peers as determined by Lipper Inc. ("Lipper") and, on an asset-weighted-basis, delivered a gross return that trailed their benchmarks by 0.1%. Over the longer-term, the Committee noted that, on an

asset-weighted basis, the Putnam funds delivered strong aggregate performance relative to their Lipper peers over the three-, five- and ten-year periods ended December 31, 2021, ranking in the 31st, 29th and 21st percentiles, respectively, and that the funds, in the aggregate, outperformed their benchmarks on a gross basis for each of those periods.

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. In particular, the Trustees considered The Putnam Fund complex's performance as reported in the Barron's/Lipper Fund Families survey (the "Survey"), which ranks mutual fund companies based on their performance across a variety of asset types. The Trustees noted that The Putnam Fund complex continued to rank highly in the Survey, especially over the longer-term, with The Putnam Funds ranking as the 6th best performing mutual fund complex out of 45 complexes for the ten-year period and 13th out of 49 complexes for the five-year period. The Trustees noted that 2021 marked the fifth consecutive year that The Putnam Funds have ranked in the top ten fund complexes for the ten-year period. The Trustees also considered that The Putnam Fund complex's Survey performance over the one-year period was solid, with The Putnam Funds ranking 27th out of 51 complexes. In addition to the Survey, the Trustees also considered the Putnam funds' ratings assigned by Morningstar Inc., noting that 25 of the funds were four- or five-star rated at the end of 2021 (representing a decrease of one fund year-over-year) and that this included nine funds that had achieved a five-star rating (representing an increase of two funds year-over-year). They also noted, however, the disappointing investment performance of some Putnam funds for periods ended December 31, 2021 and considered information provided by Putnam Management regarding the factors contributing to the underperformance and actions being taken to improve the performance of these particular funds. The Trustees indicated their intention to continue to monitor closely the performance of those funds and evaluate whether additional actions to address areas of underperformance may be warranted.

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 High Yield Municipal Debt Funds (closed-end)) for the one-year, three-year and five-year periods ended December 31, 2021 (the first quartile representing the best-performing funds and the fourth quartile the worst-performing funds):

One-year period	3rd
Three-year period	2nd
Five-year period	1st

Over the one-year, three-year and five-year periods ended December 31, 2021, there were 13, 12 and 11 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 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. The Trustees noted further that Putnam Management had made selective hires and internal promotions in 2021 to strengthen its investment team.

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 Putnam 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 that the funds make to Putnam Management's affiliates for investor services. In conjunction with the annual review of your fund's management and sub-management contracts, the Trustees reviewed your fund's investor servicing agreement with PSERV, which is an affiliate of Putnam Management. The Trustees concluded that the fees payable by the funds to PSERV for such services are 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 funds, and that they were of a quality at least equal to those provided by other providers.

Audited financial statements

These sections of the report, as well as the accompanying Notes, preceded by the Report of Independent Registered Public Accounting Firm, constitute the fund's audited 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. (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.

Statement of cash flows shows changes in the fund's cash balance during the period as results of cash flows from operating and financing activities.

Financial highlights provide an overview of the fund's investment results, per-share distributions, expense ratios, net investment income ratios, and portfolio turnover in one summary table, reflecting the five most recent reporting periods. In a semiannual report, the highlights table also includes the current reporting period.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees and Shareholders of
Putnam Managed Municipal Income Trust:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the fund's portfolio, of Putnam Managed Municipal Income Trust (the "Fund") as of October 31, 2022, the related statements of operations and cash flows for the year ended October 31, 2022, the statement of changes in net assets for each of the two years in the period ended October 31, 2022, including the related notes, and the financial highlights for each of the three years in the period ended October 31, 2022 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of October 31, 2022, the results of its operations and its cash flows for the year then ended, the changes in its net assets for each of the two years in the period ended October 31, 2022 and the financial highlights for each of the three years in the period ended October 31, 2022 in conformity with accounting principles generally accepted in the United States of America.

The financial statements of the Fund as of and for the year ended October 31, 2019 and the financial highlights for each of the periods ended on or prior to October 31, 2019 (not presented herein, other than the financial highlights) were audited by other auditors whose report dated December 19, 2019 expressed an unqualified opinion on those financial statements and financial highlights.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of October 31, 2022 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
Boston, Massachusetts
December 19, 2022

We have served as the auditor of one or more investment companies in the Putnam Investments family of funds since at least 1957. We have not been able to determine the specific year we began serving as auditor.

The fund's portfolio 10/31/22

Key to holding's abbreviations

AGM Assured Guaranty Municipal Corporation
 AMBAC AMBAC Indemnity Corporation
 BAM Build America Mutual
 FCS Farm Credit System

G.O. Bonds General Obligation Bonds
 PSFG Permanent School Fund Guaranteed
 Q-SBLF Qualified School Board Loan Fund

MUNICIPAL BONDS AND NOTES (136.1%)*	Rating**	Principal amount	Value
Alabama (2.4%)			
Jefferson Cnty., Swr. Rev. Bonds Ser. D, 6.50%, 10/1/53	BBB	\$500,000	\$534,941
stepped-coupon zero % (7.750%, 10/1/23), 10/1/46 ††	BBB	3,950,000	3,997,874
Jefferson, Cnty. Rev. Bonds, (Refunding warrants)			
5.00%, 9/15/34	AA	2,075,000	2,171,722
5.00%, 9/15/33	AA	275,000	288,408
			6,992,945
Alaska (1.4%)			
AK State Incl. Dev. & Export Auth. Rev. Bonds, (Tanana Chiefs Conference), Ser. A, 4.00%, 10/1/49	A+/F	5,000,000	4,041,021
			4,041,021
Arizona (4.8%)			
AZ State Incl. Dev. Auth. Ed. 144A Rev. Bonds (BASIS Schools, Inc.), Ser. G, 5.00%, 7/1/37	BB	500,000	477,444
(Somerset Academy of Las Vegas), 4.00%, 12/15/41	BB	500,000	391,930
La Paz Cnty., Incl. Dev. Auth. Ed. Fac. Rev. Bonds, (Harmony Pub. Schools), Ser. A			
5.00%, 2/15/48	BBB	2,330,000	2,101,685
5.00%, 2/15/38	BBB	500,000	475,873
Maricopa Cnty. Incl. Dev. Auth. 144A Rev. Bonds, (Commercial Metals Co), 4.00%, 10/15/47	BB+	700,000	516,395
Maricopa Cnty., Incl. Dev. Auth. Ed. Rev. Bonds, (Horizon Cmnty. Learning Ctr.), 5.00%, 7/1/35	BB+	750,000	699,947
Phoenix, Incl. Dev. Auth. Ed. Rev. Bonds, (Great Hearts Academies), 5.00%, 7/1/44	BBB-	1,700,000	1,611,154
Phoenix, Incl. Dev. Auth. Ed. 144A Rev. Bonds, (BASIS Schools, Inc.)			
Ser. A, 5.00%, 7/1/46	BB	250,000	226,197
5.00%, 7/1/35	BB	900,000	874,449
Ser. A, 5.00%, 7/1/35	BB	600,000	582,966
Pima Cnty., Incl. Dev. Auth. Sr. Living 144A Rev. Bonds, (La Posada at Park Centre, Inc.), 6.875%, 11/15/52	BBB+/P	1,500,000	1,487,702
Salt Verde, Fin. Corp. Gas Rev. Bonds			
5.50%, 12/1/29	A3	2,000,000	2,093,086
5.00%, 12/1/32	A3	570,000	572,535
Yavapai Cnty., Incl. Dev. Auth. Hosp. Fac. Rev. Bonds			
(Yavapai Regl. Med.), 5.00%, 8/1/36	A2	200,000	202,211
(Yavapai Regl. Med. Ctr.), 5.00%, 8/1/34	A2	200,000	203,008

MUNICIPAL BONDS AND NOTES (136.1%)* cont.	Rating**	Principal amount	Value
Arizona cont.			
Yavapai Cnty., Incl. Dev. Ed. Auth. Rev. Bonds, (Agribusiness & Equine Ctr.), 5.00%, 3/1/32	BB+	\$1,000,000	\$960,286
Yavapai Cnty., Incl. Dev. Ed. Auth. 144A Rev. Bonds, Ser. A, 5.00%, 9/1/34	BB+	500,000	470,138
			13,947,006
Arkansas (0.8%)			
AR Dev. Fin. Auth. Hlth. Care Rev. Bonds, (Baptist Health Oblig. Group)			
5.00%, 12/1/47	A	600,000	591,786
4.00%, 12/1/44	A	610,000	510,823
4.00%, 12/1/39	A	585,000	513,993
4.00%, 12/1/37	A	805,000	720,707
			2,337,309
California (11.8%)			
CA Cmnty. Hsg. Agcy. Essential Hsg. 144A Rev. Bonds (Aster Apt.), Ser. A-1, 4.00%, 2/1/56	BB+/P	475,000	356,298
(Fountains at Emerald Park), 4.00%, 8/1/46	BB-/P	2,460,000	1,709,363
CA Hsg. Fin. Agcy. Muni. Certif. Rev. Bonds, Ser. 21-1, Class A, 3.50%, 11/20/35	BBB+	1,685,196	1,441,839
CA Pub. State Fin. Auth. Sr. Living 144A Rev. Bonds, (Enso Village Project), Ser. A, 5.00%, 11/15/56	B-/P	750,000	579,878
CA School Fin. Auth. Rev. Bonds, (2023 Union, LLC), Ser. A, 6.00%, 7/1/33	BBB-	465,000	468,102
CA State Infrastructure & Econ. Dev. Bank 144A Rev. Bonds, (WFCS Holdings II, LLC), Ser. B, zero %, 1/1/61	B-/P	4,470,000	185,649
CA State Muni. Fin. Auth. Rev. Bonds, (Orchard Park Student Hsg.), BAM, 3.00%, 5/15/54	AA	2,410,000	1,496,116
CA State Muni. Fin. Auth. Charter School Rev. Bonds, (Partnerships Uplift Cmnty.), Ser. A, 5.00%, 8/1/32	BB+	665,000	616,395
CA State Poll. Control Fin. Auth. Rev. Bonds, (San Jose Wtr. Co.), 4.75%, 11/1/46	A	1,100,000	1,047,564
CA State Poll. Control Fin. Auth. 144A Rev. Bonds, (Wtr. Furnishing), 5.00%, 11/21/45	Baa3	1,000,000	895,450
CA State Tobacco Securitization Agcy. Rev. Bonds, (Gold Country Settlement Funding Corp.), Ser. B-2, zero %, 6/1/55	BB/P	5,570,000	892,503
CMFA Special Fin. Agcy. I 144A Rev. Bonds, (Social Bond), Ser. A-2, 4.00%, 4/1/56	BB/P	1,500,000	1,056,137
CSCDA Cmnty. Impt. Auth. Rev. Bonds, (Pasadena Portfolio), Ser. A-2, 3.00%, 12/1/56	BBB-/P	2,000,000	1,194,122
CSCDA Cmnty. Impt. Auth. 144A Rev. Bonds (Pasadena Portfolio), 4.00%, 12/1/56	BB/P	1,000,000	645,281
(Anaheim), 4.00%, 8/1/56	BB/P	2,725,000	1,952,361
(Jefferson-Anaheim), 3.125%, 8/1/56	BB+/P	1,125,000	696,269
(Jefferson-Anaheim), 2.875%, 8/1/41	BB+/P	930,000	722,944
Golden State Tobacco Securitization Corp. Rev. Bonds, Ser. B-2, zero %, 6/1/66	BB+/P	20,675,000	1,731,862
Hastings Campus HFA Rev. Bonds, (U. of CA Hastings College of the Law), Ser. A, 5.00%, 7/1/61	BB-/P	1,200,000	919,234
Palm Desert, Special Tax, (Cmnty. Fac. Dist. 2021-1), 4.00%, 9/1/41	B+/P	450,000	380,212

MUNICIPAL BONDS AND NOTES (136.1%)* cont.	Rating**	Principal amount	Value
California cont.			
Regents of the U. of CA Med. Ctr. (The) Rev. Bonds, Ser. P, 5.00%, 5/15/41 †	Aa3	\$6,000,000	\$6,186,900
Sacramento, Special Tax, (Greenbriar Cmnty. Fac. Dist. No 2018-03), 4.00%, 9/1/46	BB/P	700,000	563,735
San Francisco, City & Cnty. Arpt. Comm. Intl. Arpt. Rev. Bonds, Ser. A, 4.00%, 5/1/52	A1	1,000,000	801,569
San Francisco, City & Cnty. Dev. 144A Special Tax, (Dist. No. 2020-1 Mission Rock Fac. & Svcs.), Ser. A, 4.00%, 9/1/41	B+/P	500,000	405,962
San Francisco, City & Cnty. Redev. Agcy. Cmnty. Successor Special Tax Bonds, (No. 6 Mission Bay Pub. Impts.), Ser. C			
zero %, 8/1/43	BBB/P	2,000,000	596,125
zero %, 8/1/38	BBB/P	2,000,000	804,594
San Joaquin Hills, Trans. Corridor Agcy. Toll Road Rev. Bonds, Ser. A			
4.00%, 1/15/45	A	400,000	340,124
4.00%, 1/15/44	A	100,000	85,700
4.00%, 1/15/42	A	500,000	435,641
4.00%, 1/15/41	A	500,000	439,435
Santa Clara Cnty., Fin. Auth. Rev. Bonds, Ser. Q, 3.00%, 5/15/34	AA+	4,000,000	3,488,533
Sunnyvale, Special Tax Bonds, (Cmnty. Fac. Dist. No. 1), 7.75%, 8/1/32	B+/P	785,000	786,954
Tobacco Securitization Auth. of Northern CA Rev. Bonds, (Sacramento Cnty., Tobacco Securitization Corp.), Ser. B-2, zero %, 6/1/60	BB/P	2,720,000	336,359
			34,259,210
Colorado (2.5%)			
CO State Edl. & Cultural Auth. Rev. Bonds, (Aspen View Academy, Inc.)			
4.00%, 5/1/61	Baa3	550,000	377,343
4.00%, 5/1/51	Baa3	350,000	253,674
4.00%, 5/1/41	Baa3	175,000	138,999
4.00%, 5/1/36	Baa3	150,000	127,021
CO State Educ. & Cultural Fac. Auth. Rev. Bonds, (Skyview Academy), 5.125%, 7/1/34	BB	755,000	732,699
CO State Hlth. Fac. Auth. Hosp. Rev. Bonds, (Christian Living Neighborhood)			
5.00%, 1/1/37	BB/P	1,250,000	1,085,328
5.00%, 1/1/31	BB/P	500,000	462,877
Park Creek, Metro. Dist. Tax Alloc. Bonds, (Sr. Ltd. Property Tax Supported), Ser. A, 5.00%, 12/1/45	A/F	225,000	226,945
Plaza, Tax Alloc. Bonds, (Metro. Dist. No. 1), 5.00%, 12/1/40	BB-/P	1,650,000	1,481,273
RainDance Metro. Dist. No. 1 Rev. Bonds, (Non-Potable Wtr. Enterprise), 5.25%, 12/1/50	B+/P	875,000	724,109
Rampart Range Metro. Distr. Rev. Bonds, (Dist. No. 5), 4.00%, 12/1/41	BB-/P	1,000,000	723,205

MUNICIPAL BONDS AND NOTES (136.1%)* cont.	Rating**	Principal amount	Value
Colorado cont.			
Southlands, Metro. Dist. No. 1 G.O. Bonds, Ser. A-1, 5.00%, 12/1/37	Ba1	\$500,000	\$463,512
Sterling Ranch Cmnty. Auth. Board Rev. Bonds, (Metro. Dist. No. 2), Ser. A, 4.25%, 12/1/50	BB/P	450,000	335,848
			7,132,833
Connecticut (0.5%)			
Harbor Point Infrastructure Impt. Dist. 144A Tax Alloc. Bonds, (Harbor Point Ltd.), 5.00%, 4/1/39	BB/P	1,500,000	1,395,445
			1,395,445
Delaware (1.0%)			
DE State Econ. Dev. Auth. Rev. Bonds (ASPIRA of Delaware Charter Operations, Inc.), Ser. A, 5.00%, 6/1/51	BB	1,035,000	899,354
(ASPIRA Charter School), Ser. A, 5.00%, 6/1/36	BB	705,000	668,966
Millsboro Special Oblig. 144A Special Tax, (Plantation Lakes), 5.25%, 7/1/48	BB-/P	1,000,000	891,615
Millsboro Special Oblig. 144A Tax Alloc. Bonds, (Plantation Lakes Special Dev. Dist.), 5.125%, 7/1/38	BB-/P	490,000	454,937
			2,914,872
District of Columbia (5.5%)			
DC Rev. Bonds			
(Plenary Infrastructure DC, LLC), 5.50%, 8/31/36	A3	1,365,000	1,380,038
(Plenary Infrastructure DC, LLC), 5.50%, 8/31/35	A3	1,140,000	1,159,065
(Ingleside at Rock Creek), Ser. A, 5.00%, 7/1/52	BB-/P	1,000,000	792,807
(Intl. School), 5.00%, 7/1/49	BBB	1,275,000	1,144,122
(Latin American Montessori Bilingual Pub. Charter School Oblig. Group), 5.00%, 6/1/40	BB+	1,500,000	1,385,866
(KIPP DC), 4.00%, 7/1/44	BBB+	750,000	619,153
DC 144A Rev. Bonds, (Rocketship DC Oblig. Group), Ser. 21-A, 5.00%, 6/1/61	BB/P	400,000	333,930
DC Tobacco Settlement Fin. Corp. Rev. Bonds, Ser. A, zero %, 6/15/46	CCC/P	7,500,000	1,453,313
Metro. Washington DC, Arpt. Auth. Dulles Toll Rd. Rev. Bonds, (Dulles Metrorail & Cap. Impt. Proj.)			
4.00%, 10/1/53 ^T	A-	1,065,000	838,805
Ser. B, 4.00%, 10/1/44 ^T	A-	1,060,000	884,761
Metro. Washington DC, Arpt. Auth. Rev. Bonds Ser. A, 4.00%, 10/1/51 ^T	AA-	7,200,000	5,827,680
			15,819,540
Florida (7.5%)			
Cap. Trust Agcy. Rev. Bonds, (Wonderful Foundation Charter School Holdings, LLC), zero %, 1/1/60	B/P	6,000,000	262,494
Cap. Trust Agcy. 144A Rev. Bonds			
(WFCS Holdings II, LLC), Ser. A-1, 5.00%, 1/1/56	BB/P	900,000	634,239
(Wonderful Foundation Charter School Holdings, LLC), 5.00%, 1/1/55	BB-/P	1,700,000	1,203,309
(Wonderful Foundation Charter School Holdings, LLC), 4.50%, 1/1/35	BB-/P	750,000	588,166
Celebration Pointe Cmnty. Dev. Dist. No. 1 144A Special Assessment Bonds, (Alachua Cnty.), 5.00%, 5/1/48	B/P	240,000	216,817

MUNICIPAL BONDS AND NOTES (136.1%)* cont.	Rating**	Principal amount	Value
Florida cont.			
Charlotte Cnty., In dl. Dev. Auth. Util. Syst. 144A Rev. Bonds, (MSKP Town & Country Util., LLC), Ser. A, 4.00%, 10/1/51	B+/P	\$1,000,000	\$671,544
Double Branch Cmnty. Dev. Dist. Special Assmt. Bonds, (Sr. Lien), Ser. A-1, 4.125%, 5/1/31	A	500,000	483,613
Fishhawk, CCD IV Special Assmt. Bonds, 7.25%, 5/1/43	B/P	370,000	374,146
FL State Dev. Fin Corp. Sr. Living Rev. Bonds, (Glenridge on Palmer Ranch Oblig. Group), 5.00%, 6/1/51	BB/P	700,000	539,917
FL State Higher Edl. Fac. Financial Auth. Rev. Bonds (St. Leo U., Inc. Oblig. Group), 5.00%, 3/1/49	BB+	365,000	301,527
(St. Leo U.), 5.00%, 3/1/44	BB+	1,370,000	1,165,317
Halifax Hosp. Med. Ctr. Rev. Bonds, 5.00%, 6/1/36	A-	1,300,000	1,302,969
Lake Cnty., Retirement Fac. Rev. Bonds, (Waterman Cmnty., Inc.), 5.75%, 8/15/55	B/P	750,000	610,547
Lakewood Ranch, Stewardship Dist. Special Assessment Bonds, (Village of Lakewood Ranch South), 5.125%, 5/1/46	B+/P	810,000	745,130
Lakewood Ranch, Stewardship Dist. Special Assmt., (Azario), 4.00%, 5/1/40	B+/P	1,000,000	832,720
Lakewood Ranch, Stewardship Dist. 144A Special Assmt., 4.00%, 5/1/50	B/P	250,000	189,821
Miami-Dade Cnty., In dl. Dev. Auth. Rev. Bonds, (Pinecrest Academy, Inc.), 5.00%, 9/15/34	BBB	1,240,000	1,247,834
Midtown Miami Cmnty. Dev. Dist. Special Assmt. Bonds, (Garage), Ser. A, 5.00%, 5/1/29	BB-/P	570,000	570,321
Palm Beach Cnty., Rev. Bonds, (Lynn U. Hsg.), Ser. A, 5.00%, 6/1/57	B+/P	625,000	522,486
Palm Beach Cnty., 144A Rev. Bonds, (PBAU Hsg.), Ser. A, 5.00%, 4/1/39	Ba1	500,000	436,389
Pinellas Cnty., In dl. Dev. Auth. Rev. Bonds, (2017 Foundation for Global Understanding, Inc.), 5.00%, 7/1/39	AAA/P	1,690,000	1,555,141
Sarasota Cnty., Hlth. Fac. Auth. Rev. Bonds, (Village on the Isle), Ser. A, 5.00%, 1/1/37	BB+/F	1,000,000	897,457
Sarasota Cnty., Pub. Hosp. Dist. Rev. Bonds, (Sarasota Memorial Hosp.), 4.00%, 7/1/48	A1	1,500,000	1,241,818
St. John's Cnty., In dl. Dev. Auth. Rev. Bonds, (Life Care Ponte Vedra Oblig. Group), Ser. A			
4.00%, 12/15/41	BB+/F	500,000	373,644
4.00%, 12/15/36	BB+/F	355,000	283,641
Tallahassee, Hlth. Fac. Rev. Bonds, (Tallahassee Memorial HealthCare, Inc.), Ser. A, 5.00%, 12/1/55	Baa1	1,000,000	923,565
Verandah, West Cmnty. Dev. Dist. Special Assmt. Bonds, (Cap. Impt.), 5.00%, 5/1/33	B+/P	490,000	478,587
Village Cmnty. Dev. Dist. No. 10 Special Assmt. Bonds, 5.75%, 5/1/31	BB/P	760,000	763,865
Village Cmnty. Dev. Dist. No. 12 144A Special Assessment Bonds, 4.00%, 5/1/33	BB-/P	690,000	633,035
Village, 144A Special Assmt., (Village Cmnty. Dev. Dist. No. 13), 3.25%, 5/1/40	BB-/P	2,440,000	1,704,677
			21,754,736

MUNICIPAL BONDS AND NOTES (136.1%)* cont.	Rating**	Principal amount	Value
Georgia (6.2%)			
Cobb Cnty., Dev. Auth. Student Hsg. Rev. Bonds			
(Kennesaw State U. Real Estate Oblig. Group), Ser. C, 5.00%, 7/15/38	Baa2	\$765,000	\$722,751
(Kennesaw State U. Real Estate), 5.00%, 7/15/30	Baa2	700,000	698,620
GA State Ports Auth. Rev. Bonds, 4.00%, 7/1/52	Aa2	6,250,000	5,263,798
Geo L Smith II GA Congress Ctr. 144A Rev. Bonds, (Signia Hotel Mgt., LLC.)			
5.00%, 1/1/54	BB-/P	1,480,000	1,128,524
5.00%, 1/1/36	BB-/P	850,000	748,089
Main Street Natural Gas, Inc. Gas Supply Rev. Bonds, Ser. A, 5.00%, 5/15/34			
	A3	3,345,000	3,349,656
Muni. Election Auth. of GA Rev. Bonds, (Plant Vogtle Units 3 & 4)			
Ser. A, 5.50%, 7/1/60	A	2,000,000	1,961,166
4.50%, 7/1/63	A	2,250,000	1,939,388
Ser. A, 4.00%, 1/1/59	A2	2,000,000	1,592,423
Ser. A, 4.00%, 1/1/49	A2	500,000	416,444
			17,820,859
Idaho (0.6%)			
ID State Hlth. Fac. Auth. Rev. Bonds, (St. Luke's Hlth. Sys. Oblig. Group), Ser. A, 4.00%, 3/1/38			
	A	2,000,000	1,778,558
			1,778,558
Illinois (13.0%)			
Chicago, G.O. Bonds			
Ser. A, 5.50%, 1/1/49	BBB+	1,000,000	969,048
Ser. A, 5.00%, 1/1/40	BBB+	2,000,000	1,872,794
Ser. A, 5.00%, 1/1/30	BBB+	1,800,000	1,774,788
Ser. B, 4.00%, 1/1/38	BBB+	2,747,000	2,250,503
Chicago, Special Assmt.			
3.38%, 12/1/31	BBB/P	367,000	305,372
3.04%, 12/1/28	BBB/P	270,000	233,452
Chicago, Board of Ed. G.O. Bonds			
Ser. C, 5.25%, 12/1/39	BB	1,500,000	1,390,566
Ser. A, 5.00%, 12/1/47	BB	1,750,000	1,510,538
Ser. A, 5.00%, 12/1/40	BB	500,000	451,198
Ser. H, 5.00%, 12/1/36	BB	2,100,000	1,970,054
Chicago, O'Hare Intl. Arpt. Rev. Bonds, Ser. A, 5.00%, 1/1/38			
	A+	700,000	684,022
Cook Cnty., G.O. Bonds, 5.00%, 11/15/35			
	A+	500,000	513,755
Du Page Cnty., Special Svc. Area No. 31 Special Tax Bonds, (Monarch Landing), 5.625%, 3/1/36			
	B/P	283,000	264,328
IL State G.O. Bonds			
Ser. A, 5.00%, 5/1/38	Baa1	1,000,000	958,428
Ser. B, 5.00%, 10/1/31	Baa1	2,000,000	1,991,803
Ser. A, 5.00%, 12/1/28	Baa1	1,760,000	1,762,898
IL State Fin. Auth. Rev. Bonds			
(Plymouth Place Oblig. Group), 5.00%, 5/15/56	BB+/F	815,000	638,888
(Plymouth Place Oblig. Group), 5.00%, 5/15/51	BB+/F	1,000,000	799,863
(Plymouth Place Oblig. Group), 5.00%, 5/15/41	BB+/F	400,000	341,642

MUNICIPAL BONDS AND NOTES (136.1%)* cont.	Rating**	Principal amount	Value
Illinois cont.			
IL State Fin. Auth. Rev. Bonds			
(Southern IL Healthcare Enterprises, Inc.), 5.00%, 3/1/33	A	\$700,000	\$712,479
(Riverside Hlth. Syst.), 4.00%, 11/15/35	A+	500,000	460,784
IL State Fin. Auth. Student Hsg. & Academic Fac. Rev. Bonds			
(U. of IL Chicago), 5.00%, 2/15/50	Baa3	500,000	417,466
(U. of IL-CHF-Chicago, LLC), Ser. A, 5.00%, 2/15/37	Baa3	1,200,000	1,083,704
Metro. Pier & Exposition Auth. Rev. Bonds, (McCormick Place Expansion)			
Ser. A, 5.00%, 6/15/50	A-	3,000,000	2,749,884
4.00%, 6/15/52	A-	1,000,000	745,909
Ser. B, stepped-coupon zero % (4.950%, 6/15/31), 12/15/47 ††	A-	1,500,000	725,720
Metro. Wtr. Reclamation Dist. of Greater Chicago G.O. Bonds, Ser. A, 5.00%, 12/1/31			
	AA+	1,000,000	1,042,962
Northern IL U. Rev. Bonds, Ser. B, BAM			
5.00%, 4/1/33	AA	625,000	650,242
5.00%, 4/1/31	AA	500,000	524,290
4.00%, 4/1/40	AA	610,000	522,903
4.00%, 4/1/39	AA	500,000	432,755
Sales Tax Securitization Corp. Rev. Bonds			
Ser. C, 5.50%, 1/1/36	AA-	2,000,000	2,081,691
Ser. A, 5.00%, 1/1/36	AA-	1,600,000	1,627,150
Ser. A, 4.00%, 1/1/39	AA-	1,750,000	1,531,861
Ser. A, 4.00%, 1/1/38	AA-	1,750,000	1,546,793
			37,540,533
Iowa (0.3%)			
IA Tobacco Settlement Auth. Rev. Bonds, Ser. B-1, Class 2, 4.00%, 6/1/49			
	BBB	945,000	863,383
			863,383
Kansas (0.3%)			
Wichita, Hlth. Care Fac. Rev. Bonds, (Presbyterian Manors), Ser. I, 5.00%, 5/15/33			
	BB-/P	500,000	449,059
Wyandotte, Cnty./Kansas City, Unified Govt. 144A Rev. Bonds, (Legends Apt. Garage & West Lawn), 4.50%, 6/1/40			
	BB+/P	390,000	332,450
			781,509
Kentucky (3.2%)			
KY Econ. Dev. Fin. Auth. Rev. Bonds, (Masonic Home Indpt. Living), 5.00%, 5/15/46			
	BB/P	1,000,000	786,211
KY State Econ. Dev. Fin. Auth. Rev. Bonds, (Owensboro Hlth.), Ser. A, 5.25%, 6/1/41			
	Baa2	125,000	122,344
KY State Econ. Dev. Fin. Auth. Hlth. Care Rev. Bonds, (Masonic Homes of KY), 5.375%, 11/15/42			
	BB-/P	900,000	733,693
KY State Pub. Energy Auth. Gas Supply Mandatory Put Bonds (6/1/25), Ser. C-1, 4.00%, 12/1/49			
	A1	4,635,000	4,516,582
Louisville & Jefferson Cnty., Metro. Govt. Hlth. Syst. Rev. Bonds, (Norton Healthcare Oblig. Group), 5.50%, 10/1/33			
	A	3,000,000	3,036,522
			9,195,352

MUNICIPAL BONDS AND NOTES (136.1%)* cont.	Rating**	Principal amount	Value
Louisiana (1.9%)			
LA Pub. Fac. Auth. Rev. Bonds, (U. of Tulane)			
4.00%, 12/15/50	A+	\$730,000	\$593,044
4.00%, 12/15/50 (Prerefunded 12/15/27)	AAA/P	20,000	20,437
LA State Pub. Fac. Auth. Rev. Bonds, (LA State U. Greenhouse Phase III), Ser. A, 5.00%, 7/1/59			
	A3	1,500,000	1,428,833
St. John The Baptist Parish Mandatory Put Bonds (7/1/26), (Marathon Oil Corp.), Ser. A-3, 2.20%, 6/1/37			
	Baa3	3,500,000	3,174,389
St. Tammany, Public Trust Fin. Auth. Rev. Bonds, (Christwood), 5.25%, 11/15/37			
	BB/P	385,000	357,370
			5,574,073
Maine (0.2%)			
ME State Fin. Auth. Solid Waste Disp. 144A Mandatory Put Bonds (8/1/25), (Casella Waste Syst.), 5.125%, 8/1/35			
	B2	500,000	496,113
			496,113
Maryland (2.1%)			
Brunswick, Special Tax, 5.00%, 7/1/36			
	B+/P	549,000	533,645
Frederick Cnty., Special Tax Bonds, (Oakdale-Lake Linganore), 3.75%, 7/1/39			
	BB/P	1,410,000	1,097,369
Frederick Cnty., Edl. Fac. 144A Rev. Bonds, (Mount St. Mary's U.), Ser. A, 5.00%, 9/1/37			
	BB+	500,000	461,934
MD State Econ. Dev. Corp. Tax Alloc. Bonds, (Port Covington)			
4.00%, 9/1/50	B+/P	750,000	559,000
4.00%, 9/1/40	B+/P	755,000	618,672
Prince Georges Cnty., Special Oblig. 144A Tax Alloc. Bonds, (Westphalia Town Ctr.), 5.125%, 7/1/39			
	B/P	1,000,000	929,434
Westminster, Rev. Bonds (Lutheran Village at Miller's Grant, Inc. (The)), Ser. A, 6.00%, 7/1/34			
	B-/P	250,000	252,295
(Carroll Lutheran Village, Inc.), 5.125%, 7/1/34 (Prerefunded 7/1/24)			
	BB/P	1,500,000	1,540,926
			5,993,275
Massachusetts (1.3%)			
Lowell, Collegiate Charter School Rev. Bonds			
5.00%, 6/15/54	BB-/P	1,250,000	1,053,640
5.00%, 6/15/39	BB-/P	1,000,000	909,374
MA State Dev. Fin. Agcy. 144A Rev. Bonds, (Linden Ponds, Inc. Fac.)			
5.125%, 11/15/46	A/F	1,000,000	960,445
5.00%, 11/15/38	A/F	500,000	491,921
MA State Dev. Fin. Agcy. Hlth. Care Fac. 144A Rev. Bonds, (Adventcare), Ser. A, 6.65%, 10/15/28 (In default) †			
	D/P	995,000	368,150
			3,783,530
Michigan (5.6%)			
Detroit, G.O. Bonds, 5.00%, 4/1/37			
	Ba2	750,000	736,650
Flint, Hosp. Bldg. Auth. Rev. Bonds, Ser. A, 5.25%, 7/1/39			
	Ba1	750,000	738,122

MUNICIPAL BONDS AND NOTES (136.1%)* cont.	Rating**	Principal amount	Value
Michigan cont.			
Kentwood, Economic Dev. Corp. Rev. Bonds, (Holland Home Obligated Group)			
5.00%, 11/15/41	BBB-/F	\$1,000,000	\$935,831
5.00%, 11/15/32	BBB-/F	1,250,000	1,228,700
MI State Fin. Auth. Rev. Bonds			
(Local Govt. Loan Program — Detroit Wtr. & Swr. Dept. (DWSD)), Ser. D-2, 5.00%, 7/1/34			
	A+	400,000	406,278
(Detroit Wtr. & Swr.), Ser. C-6, 5.00%, 7/1/33			
	AA-	600,000	607,784
(Trinity Health Corp. Oblig. Group), Ser. A, 4.00%, 12/1/49 ^T			
	AA-	2,125,000	1,745,454
MI State Fin. Auth. Ltd. Oblig. Rev. Bonds, (Lawrence Technological U.), 5.00%, 2/1/47			
	BBB-	2,150,000	1,824,298
MI State Fin. Auth. Ltd. Oblig. Higher Ed. Fac. Rev. Bonds, (Aquinas College), 5.00%, 5/1/46			
	BB/P	1,000,000	799,201
MI State Strategic Fund Ltd. Oblig. Rev. Bonds, (Holland Home Oblig. Group), 5.00%, 11/15/43			
	BBB-/F	500,000	462,599
Pontiac City, G.O. Bonds, (Pontiac School Dist.), Q-SBLF			
4.00%, 5/1/45 ^T	Aa1	3,576,000	3,158,538
4.00%, 5/1/50 ^T	Aa1	4,023,000	3,474,142
			16,117,597
Minnesota (1.5%)			
Baytown Twp., Lease Rev. Bonds, Ser. A, 4.00%, 8/1/41			
	BB+	380,000	289,221
Ham Lake, Charter School Lease Rev. Bonds, (DaVinci Academy of Arts & Science), Ser. A, 5.00%, 7/1/47			
	BB-/P	500,000	427,450
MN State Higher Ed. Fac. Auth. Rev. Bonds, (Augsburg U.), Ser. A, 5.00%, 5/1/46			
	Ba1	1,250,000	1,080,912
Rice Cnty., G.O. Bonds, Ser. A, 4.00%, 2/1/48			
	AAA	1,500,000	1,329,499
St. Paul, Port Auth. Lease Rev. Bonds, (Regions Hosp. Pkg. Ramp), Ser. 1, 5.00%, 8/1/36			
	A-/P	1,075,000	1,071,744
			4,198,826
Missouri (1.5%)			
Cape Girardeau Cnty., Incl. Dev. Auth. Rev. Bonds, (SoutheastHEALTH Oblig. Group), 4.00%, 3/1/41			
	BBB-	1,500,000	1,186,859
Saint Louis, Incl. Dev. Auth. Fin. Rev. Bonds, (Ballpark Village Dev.), Ser. A, 4.75%, 11/15/47			
	BB-/P	875,000	647,756
St. Louis Cnty., Incl. Dev. Auth. Sr. Living Fac. Rev. Bonds, (Friendship Village), 5.25%, 9/1/53			
	BB+/F	3,250,000	2,656,525
			4,491,140
Montana (1.1%)			
MT State Fac. Fin. Auth. Rev. Bonds, (Billings Clinic Oblig. Group), Ser. A			
5.00%, 8/15/34	AA-	1,500,000	1,596,492
5.00%, 8/15/32	AA-	1,365,000	1,478,544
			3,075,036

MUNICIPAL BONDS AND NOTES (136.1%)* cont.	Rating**	Principal amount	Value
Nevada (0.9%)			
Clark Cnty., Impt. Dist. No. 159 Special Assessment Bonds, (Summerlin Village 16A), 5.00%, 8/1/32	B+/P	\$415,000	\$412,761
Las Vegas, Special Assmt. Bonds (Dist. No. 815), 5.00%, 12/1/49	B+/P	625,000	559,437
(Special Impt. Dist. No. 816), 3.00%, 6/1/41	BB-/P	650,000	443,501
Las Vegas, Impt. Dist. No. 812 Special Assessment Bonds, (Summerlin Village 24), 5.00%, 12/1/35	B/P	225,000	218,998
Las Vegas, Special Impt. Dist. No. 814 Special Assmt., (Summerlin Village No. 21 and 24A) 4.00%, 6/1/44	BB-/P	640,000	511,891
4.00%, 6/1/39	BB-/P	440,000	371,794
			2,518,382
New Hampshire (0.5%)			
NH State Hlth. & Ed. Fac. Auth. Rev. Bonds (Elliot Hosp.), 5.00%, 10/1/38	A3	250,000	243,065
(Southern NH Med. Ctr.), 5.00%, 10/1/37	A-	1,000,000	980,771
NH State Hlth. & Ed. Fac. Auth. 144A Rev. Bonds, (Hillside Village), Ser. A, 6.25%, 7/1/42 (In default) †	D/P	750,000	292,500
			1,516,336
New Jersey (4.8%)			
Atlantic City, G.O. Bonds, (Tax Appeal), Ser. B, AGM, 4.00%, 3/1/42	AA	1,250,000	1,106,423
NJ State Econ. Dev. Auth. Rev. Bonds (Ashland School, Inc.), 6.00%, 10/1/33	BBB	950,000	965,126
(NYNJ Link Borrower, LLC), 5.375%, 1/1/43	BBB+	1,000,000	962,997
(North Star Academy Charter School of Newark, Inc.), 5.00%, 7/15/47	BBB-	1,000,000	930,636
NJ State Econ. Dev. Auth. Fac. Rev. Bonds, (Continental Airlines, Inc.), 5.625%, 11/15/30	Ba3	1,500,000	1,480,492
NJ State Econ. Dev. Auth. Special Fac. Rev. Bonds, (Port Newark Container Term., LLC), 5.00%, 10/1/37	Baa2	1,500,000	1,462,994
NJ State Trans. Trust Fund Auth. Rev. Bonds Ser. AA, 5.00%, 6/15/38	A3	1,800,000	1,775,141
Ser. AA, 5.00%, 6/15/37	A3	400,000	398,487
Ser. AA, 5.00%, 6/15/36	A3	475,000	475,351
Ser. A, 5.00%, 12/15/34	A3	2,600,000	2,620,722
Ser. A, 4.00%, 6/15/42	A3	1,000,000	839,972
South Jersey, Trans. Auth. Syst. Rev. Bonds, Ser. A, BAM, 5.25%, 11/1/52	AA	1,000,000	1,016,011
			14,034,352
New Mexico (1.1%)			
NM State Hosp. Equip. Loan Council Hosp. Rev. Bonds, Ser. A, 4.00%, 8/1/48	AA	3,400,000	2,862,656
Sante Fe, Retirement Fac. Rev. Bonds, (El Castillo Retirement Residences), Ser. A, 5.00%, 5/15/39	BB+/F	500,000	426,928
			3,289,584
New York (12.2%)			
Metro. Trans. Auth. Rev. Bonds, Ser. C-1, 4.00%, 11/15/35	A3	3,000,000	2,655,008
NY City, Transitional Fin. Auth. Rev. Bonds Ser. B-1, 4.00%, 11/1/41 †	AA+	5,000,000	5,162,100
Ser. C-1, 4.00%, 5/1/39	AAA	2,000,000	1,824,512

MUNICIPAL BONDS AND NOTES (136.1%)* cont.	Rating**	Principal amount	Value
New York cont.			
NY Counties, Tobacco Trust VI Rev. Bonds, (Tobacco Settlement Pass Through), Ser. A-2B, 5.00%, 6/1/51	BB+/P	\$1,700,000	\$1,406,955
NY State Dorm. Auth. Personal Income Tax Rev. Bonds, Ser. A, 5.00%, 3/15/46 ^T	AA+	4,500,000	4,597,290
NY State Dorm. Auth. Sales Tax Rev. Bonds, Ser. A, Group C, 5.00%, 3/15/42 ^T	AA+	10,845,000	11,081,204
NY State Env. Fac. Corp. Solid Waste Disp. Mandatory Put Bonds (9/2/25), (Casella Waste Syst., Inc.), Ser. R-1, 2.75%, 9/1/50	B	225,000	209,351
NY State Liberty Dev. Corp. Rev. Bonds, Ser. A, BAM, 3.00%, 11/15/51	AA	3,000,000	1,938,085
NY State Liberty Dev. Corp. 144A Rev. Bonds, (World Trade Ctr.), Class 2, 5.375%, 11/15/40	BB-/P	750,000	715,426
NY State Trans. Special Fac. Dev. Corp. Rev. Bonds, (Delta Air Lines, Inc.), 5.00%, 10/1/40	Baa3	1,250,000	1,179,297
NY State, Liberty Dev. Corp. Rev. Bonds, (4 World Trade Ctr.), 3.00%, 11/15/51	A+	6,075,000	3,787,837
Suffolk, Tobacco Asset Securitization Corp. Rev. Bonds, Ser. A-2, 4.00%, 6/1/50	BBB+	800,000	629,694
			35,186,759
North Carolina (1.7%)			
NC State Med. Care Comm. Hlth. Care Fac. Rev. Bonds, (Lutheran Svcs. for the Aging, Inc. Oblig. Group), Ser. C, 4.00%, 3/1/36	BB/P	2,320,000	1,874,162
NC State Med. Care Comm. Retirement Fac. Rev. Bonds			
(Maryfield, Inc. Oblig. Group), 5.00%, 10/1/45	BB/P	500,000	449,616
(Twin Lakes Cmnty.), Ser. A, 5.00%, 1/1/38	BBB/F	1,750,000	1,692,089
(Southminister, Inc.), 5.00%, 10/1/37	BB/P	965,000	876,916
			4,892,783
Ohio (3.4%)			
Buckeye, Tobacco Settlement Fin. Auth. Rev. Bonds, Ser. B-2, Class 2, 5.00%, 6/1/55	BB/P	1,780,000	1,500,295
Cleveland-Cuyahoga Cnty., Port Auth. Cultural Fac. Rev. Bonds, (Playhouse Square Foundation), 5.50%, 12/1/53	BB+	1,500,000	1,437,537
OH State Air Quality Dev. Auth. Exempt Fac. 144A Rev. Bonds, (Pratt Paper, LLC), 4.50%, 1/15/48	BB+/P	1,200,000	971,515
OH State Higher Edl. Fac. Comm. Rev. Bonds, (John Carroll U.), 4.00%, 10/1/45	Baa1	3,400,000	2,707,097
OH State Private Activity Rev. Bonds, (Portsmouth Bypass), AGM, 5.00%, 12/31/35	AA	750,000	753,339
Port of Greater Cincinnati Dev. Auth. 144A Rev. Bonds, 4.25%, 12/1/50	BB/P	1,440,000	1,040,131
Southeastern OH Port Auth. Hosp. Fac. Rev. Bonds			
5.75%, 12/1/32 (Prerefunded 12/1/22)	B+/F	900,000	901,818
(Memorial Hlth. Syst. Oblig. Group), 5.00%, 12/1/43	B+/F	150,000	127,856
Washington Cnty, Hosp. Rev. Bonds, (Marietta Area Hlth. Care, Inc.), 6.75%, 12/1/52	B+/P	500,000	445,810
			9,885,398

MUNICIPAL BONDS AND NOTES (136.1%)* cont.	Rating**	Principal amount	Value
Oregon (0.5%)			
Multnomah Cnty., Hosp. Fac. Auth. Rev. Bonds, (Terwilliger Plaza, Inc.), 5.00%, 12/1/29	BB+/F	\$350,000	\$346,290
Warm Springs, Reservation Confederated Tribes 144A Rev. Bonds, (Pelton-Round Butte), Ser. B			
5.00%, 11/1/36	A3	500,000	523,125
5.00%, 11/1/34	A3	200,000	209,905
Yamhill Cnty., Hosp. Auth. Rev. Bonds, (Friendsview Manor Oblig. Group), Ser. A, 5.00%, 11/15/56	BB-/P	400,000	300,375
			1,379,695
Pennsylvania (3.9%)			
Allegheny Cnty., Hosp. Dev. Auth. Rev. Bonds, (Allegheny Hlth. Network Oblig. Group), Ser. A, 5.00%, 4/1/35	A	1,200,000	1,216,671
Chester Cnty., Incl. Dev. Auth. Rev. Bonds (Collegium Charter School), Ser. A, 5.125%, 10/15/37	BB	750,000	694,864
(Renaissance Academy Charter School), 5.00%, 10/1/34	BBB-	350,000	347,055
Chester Cnty., Incl. Dev. Auth. Student Hsg. Rev. Bonds, (West Chester U. Student Hsg., LLC), Ser. A, 5.00%, 8/1/45	Ba2	1,000,000	868,838
Cumberland Cnty., Muni. Auth. Rev. Bonds, (Asbury PA Obligated Group), 5.00%, 1/1/45	BB+/P	500,000	433,598
Dallas, Area Muni. Auth. U. Rev. Bonds, (Misericordia U.), 5.00%, 5/1/48	Baa3	1,500,000	1,288,229
Maxatawny Twp., Muni. Auth. Rev. Bonds, (Diakon Lutheran Social Ministries), Ser. A			
5.00%, 1/1/42	BBB+/F	1,450,000	1,363,040
5.00%, 1/1/41	BBB+/F	1,400,000	1,324,740
Montgomery Cnty., Incl. Auth. Rev. Bonds, (Whitemarsh Continuing Care Retirement Cmnty.), Ser. A, 5.25%, 1/1/48	BB-/P	500,000	446,821
Moon, Incl. Dev. Auth. Rev. Bonds, (Baptist Homes Society Oblig. Group), 5.75%, 7/1/35	B+/P	650,000	567,092
PA State Tpk. Comm. Rev. Bonds, Ser. A, 5.00%, 12/1/44	A3	1,500,000	1,458,509
Philadelphia Auth. For Ind. Dev. 144A Rev. Bonds, (String Theory Charter School), 5.00%, 6/15/50	BB+	700,000	586,334
West Shore Area Auth. Rev. Bonds, (Lifeways at Messiah Village), Ser. A, 5.00%, 7/1/35	BBB-/F	785,000	743,535
			11,339,326
Puerto Rico (1.9%)			
Cmnwlth. of PR, G.O. Bonds, Ser. A-1, 4.00%, 7/1/46	BB/P	2,000,000	1,456,919
Cmnwlth. of PR, Sales Tax Fin. Corp. Rev. Bonds, Ser. A-1, 5.00%, 7/1/58	BB-/P	4,700,000	4,041,944
			5,498,863

MUNICIPAL BONDS AND NOTES (136.1%)* cont.	Rating**	Principal amount	Value
South Carolina (5.8%)			
Berkeley Cnty., Assmt. Rev. Bonds, (Nexton Impt. Dist.), 4.375%, 11/1/49	BB-/P	\$1,000,000	\$749,278
SC State Jobs Econ. Dev. Auth. Edl. Fac. 144A Rev. Bonds			
(High Point Academy), Ser. A, 5.75%, 6/15/49	Ba1	1,000,000	972,068
(High Point Academy), Ser. A, 5.75%, 6/15/39	Ba1	500,000	500,870
(Greenville Renewable Energy Ed. Charter School), 4.00%, 6/1/46	BB/P	1,150,000	822,743
SC State Jobs-Econ. Dev. Auth. Rev. Bonds, (Bon Secours Mercy Hlth.), 4.00%, 12/1/44	A1	4,000,000	3,423,470
SC State Public Svc Auth. Rev. Bonds Ser. B			
4.00%, 12/1/51 †	A-	3,000,000	2,411,670
4.00%, 12/1/42 †	A-	5,250,000	4,461,607
4.00%, 12/1/41 †	A-	4,000,000	3,428,840
			16,770,546
Tennessee (0.4%)			
Metro. Govt. Nashville & Davidson Cnty., Hlth. & Edl. Fac. Board Rev. Bonds, (Blakeford at Green Hills), Ser. A, 4.00%, 11/1/55	BBB-/F	1,750,000	1,251,534
			1,251,534
Texas (9.1%)			
Arlington, Higher Ed. Fin. Corp. Rev. Bonds			
(Uplift Ed.), Ser. A, PSFG, 4.00%, 12/1/42	AAA	1,000,000	882,291
(Wayside Schools), Ser. A, 4.00%, 8/15/41	BB	610,000	469,009
Clifton, Higher Ed. Fin. Corp. Rev. Bonds			
(Intl. Leadership), Ser. D, 6.125%, 8/15/48	BB-/P	2,500,000	2,517,171
(IDEA Pub. Schools), 5.00%, 8/15/28	A-	200,000	207,075
Dallas, Area Rapid Transit Rev. Bonds, Ser. B, 5.00%, 12/1/47	AA+	9,000,000	9,353,000
Harris Cnty., Cultural Ed. Fac. Fin. Corp. Rev. Bonds			
(Brazos Presbyterian Homes, Inc.), 5.00%, 1/1/37	BB+/F	250,000	221,321
(YMCA of the Greater Houston Area), Ser. A, 5.00%, 6/1/33	Ba1	1,000,000	909,291
Houston, Arpt. Syst. Rev. Bonds			
Ser. B-1, 5.00%, 7/15/35	B	2,500,000	2,358,191
(United Airlines, Inc.), 4.00%, 7/1/41	B-/F	1,250,000	963,277
Matagorda Cnty., Poll. Control Rev. Bonds, (Dist. No. 1), Ser. A, AMBAC, 4.40%, 5/1/30	A-	1,250,000	1,226,775
New Hope, Cultural Ed. Fac. Fin. Corp. Rev. Bonds			
(Wesleyan Homes, Inc.), 5.50%, 1/1/43	BB-/P	500,000	410,248
(Woman's U.-Collegiate Hsg. Denton, LLC), Ser. A-1, AGM, 4.125%, 7/1/53	AA	1,000,000	827,739
Temple, Tax Increment 144A Tax Alloc. Bonds, (Reinvestment Zone No. 1), Ser. A, 5.00%, 8/1/38	Baa2	1,500,000	1,496,799
TX Private Activity Surface Trans. Corp. Rev. Bonds, (Segment 3C), 5.00%, 6/30/58	Baa3	2,500,000	2,234,164
TX State Muni. Gas Acquisition & Supply Corp. III Rev. Bonds, 5.00%, 12/15/32	A3	1,000,000	1,001,068

MUNICIPAL BONDS AND NOTES (136.1%)* cont.	Rating**	Principal amount	Value
Texas cont.			
TX State Private Activity Bond Surface Trans. Corp. Rev. Bonds, (Blueridge Trans. Group, LLC (SH 288 Toll Lane)), 5.00%, 12/31/50	Baa2	\$1,250,000	\$1,168,379
TX State Trans. Comm. Rev. Bonds, (State Hwy. 249 Sys.), Ser. A, zero %, 8/1/39	Baa3	700,000	258,212
			26,504,010
Utah (1.2%)			
Infrastructure Agcy. Telecomm. Rev. Bonds, 4.00%, 10/15/39	BBB-/F	1,500,000	1,202,062
MDA Mountain Village Pub. Infrastructure Dist. Special Assmt., Ser. A, 5.00%, 8/1/50	B/P	1,045,000	886,816
Mida Mountain Village Pub. Infrastructure Dist. 144A Special Assmt. Bonds, (Mountain Village Assmt. Area No. 2), 4.00%, 8/1/50	B/P	1,250,000	891,016
UT State Charter School Fin. Auth. Rev. Bonds, (Summit Academy, Inc.), Ser. A, 5.00%, 4/15/44	AA	625,000	639,788
			3,619,682
Virginia (3.2%)			
Cherry Hill Cmnty., Dev. Auth. 144A Special Assmt. Bonds, (Potomac Shores), 5.40%, 3/1/45	B/P	1,000,000	931,267
Farms of New Kent, Cmnty. Dev. Auth. 144A Special Assmt. Bonds, Ser. A, 3.75%, 3/1/36	B+/P	700,000	621,593
Front Royal & Warren Cnty., Incl. Dev. Auth. Rev. Bonds, (Valley Hlth. Oblig. Group), 4.00%, 1/1/50	A1	2,500,000	2,077,252
James City Cnty., Econ. Dev. Auth. Rev. Bonds (Williamsburg Landing), Ser. A, 4.00%, 12/1/50	BB/P	1,235,000	855,669
(VA United Methodist Homes, Inc. Oblig. Group), Ser. A, 4.00%, 6/1/47	BB/P	1,000,000	686,756
Lexington, Incl. Dev. Auth. Res. Care Fac. Rev. Bonds (Lexington Retirement Cmnty.), 4.00%, 1/1/48	BBB-/F	1,310,000	937,241
(Lexington Retirement Cmnty.), 4.00%, 1/1/42	BBB-/F	1,000,000	763,575
(Kendal at Lexington), 4.00%, 1/1/31	BBB-/F	675,000	599,253
Lower Magnolia Green Cmnty., Dev. Auth. 144A Special Assmt. Bonds, 5.00%, 3/1/35	B/P	485,000	453,553
Small Bus. Fin. Auth. Private Activity Rev. Bonds, (Transform 66-P3), 5.00%, 12/31/52	Baa3	1,000,000	913,032
Suffolk, Econ. Dev. Auth. Retirement Fac. Rev. Bonds, (United Church Homes & Svcs. Oblig. Group), 5.00%, 9/1/31	BB/P	500,000	466,068
			9,305,259
Washington (3.0%)			
Bellevue, G.O. Bonds 4.00%, 12/1/38	Aaa	1,000,000	962,136
4.00%, 12/1/34	Aaa	1,420,000	1,407,111
Kalispel Tribe of Indians Priority Dist. Rev. Bonds, Ser. A, 5.25%, 1/1/38	BB+/P	750,000	775,846
Tobacco Settlement Auth. of WA Rev. Bonds, 5.25%, 6/1/32	A-	290,000	290,233
WA State Hsg. Fin. Comm. Rev. Bonds (Wesley Homes Lea Hill), 5.00%, 7/1/41	B/P	500,000	424,332
(Wesley Homes Lea Hill), 5.00%, 7/1/36	B/P	580,000	513,495
(Social Certif.), Ser. A-1, 3.50%, 12/20/35	BBB+	2,155,248	1,822,596

MUNICIPAL BONDS AND NOTES (136.1%)* cont.	Rating**	Principal amount	Value
Washington cont.			
WA State Hsg. Fin. Comm. 144A Rev. Bonds, (Presbyterian Retirement Cmnty. Northwest), Ser. A, 5.00%, 1/1/36	BB/F	\$1,175,000	\$1,010,284
WA State Hsg. Fin. Comm. Nonprofit 144A Rev. Bonds, (Spokane Intl. Academy), Ser. A			
5.00%, 7/1/56	Ba2	1,130,000	947,773
5.00%, 7/1/50	Ba2	500,000	429,390
			8,583,196
Wisconsin (5.5%)			
Pub. Fin. Auth. 144A Rev. Bonds, (Roseman U. of Hlth. Sciences), 5.00%, 4/1/40	BB	1,150,000	1,035,931
Pub. Fin. Auth. Edl. Fac. Rev. Bonds, (Piedmont Cmnty. Charter School), 5.00%, 6/15/53	Baa3	1,150,000	1,034,868
Pub. Fin. Auth. Exempt Fac. Rev. Bonds, (Celanese U.S. Holdings, LLC), Ser. C, 4.30%, 11/1/30	Baa3	300,000	289,555
Pub. Fin. Auth. Retirement Communities Rev. Bonds, (Evergreens Oblig. Group), Ser. A, 5.00%, 11/15/49	BBB/F	1,750,000	1,588,768
Pub. Fin. Auth. Retirement Fac. 144A Rev. Bonds, (Southminster, Inc.), 5.00%, 10/1/48	BB/F	800,000	641,225
Pub. Fin. Auth. Student Hsg. Fac. 144A Rev. Bonds, (UHFRISE Student Hsg., LLC), Ser. A-1, 4.00%, 7/1/61	Ba1	600,000	390,181
WI Pub. Fin. Auth. Hotel Rev. Bonds, (Grand Hyatt), 5.00%, 2/1/62	BBB-	2,300,000	1,888,247
WI Pub. Fin. Auth. Hotel 144A Rev. Bonds, (Grand Hyatt), 6.00%, 2/1/62	BB-/P	1,000,000	862,609
WI State Hlth. & Edl. Fac. Auth. Rev. Bonds (Oakwood Lutheran Sr. Ministries Oblig. Group), 4.00%, 1/1/57	BB/P	650,000	436,506
(St. John's Communities, Inc.), 4.00%, 9/15/45	BBB-/F	650,000	495,343
(St. John's Communities, Inc.), 4.00%, 9/15/41	BBB-/F	770,000	616,779
(Froedtert Health, Inc.), Ser. A, 4.00%, 4/1/41	AA	4,000,000	3,502,622
WI State Pub. Fin. Auth. Sr. Living 144A Rev. Bonds (Rose Villa, Inc.), Ser. A, 5.75%, 11/15/44 (Prerefunded 11/15/24)	BB-/P	1,800,000	1,879,395
(Mary's Woods at Marylhurst), Ser. A, 5.25%, 5/15/37	BB/F	380,000	342,363
WI State Pub. Fin. Auth. 144A Rev. Bonds, (Church Home of Hartford, Inc.), Ser. A, 5.00%, 9/1/30	BB/F	945,000	885,436
			15,889,828
Total municipal bonds and notes (cost \$460,563,599)			\$393,770,234

SHORT-TERM INVESTMENTS (9.6%)*		Principal amount/ shares	Value
Putnam Short Term Investment Fund Class P 3.21% ^L	Shares	26,377,910	\$26,377,910
U.S. Treasury Bills 3.528%, 12/6/22 [#] Δ		\$400,000	398,632
U.S. Treasury Bills 3.376%, 12/1/22 [#] Δ		300,000	299,139
U.S. Treasury Bills 2.912%, 11/15/22 [#] Δ		200,000	199,767
U.S. Treasury Bills 2.703%, 11/1/22		100,000	100,000
U.S. Treasury Bills 2.733%, 11/8/22 [#] Δ		100,000	99,948

SHORT-TERM INVESTMENTS (9.6%)* cont.	Principal amount/ shares	Value
U.S. Treasury Bills 2.790%, 11/25/22 ^Δ	100,000	\$99,782
U.S. Treasury Bills 3.578%, 12/13/22	100,000	99,590
Total short-term investments (cost \$27,674,865)		\$27,674,768

TOTAL INVESTMENTS	
Total investments (cost \$488,238,464)	\$421,445,002

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 November 1, 2021 through October 31, 2022 (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 \$289,259,002.

** 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. Ratings are not covered by the Report of Independent Registered Public Accounting Firm.

† This security is non-income-producing.

†† 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.

This security, in part or in entirety, was pledged and segregated with the broker to cover margin requirements for futures contracts at the close of the reporting period. Collateral at period end totaled \$459,399 and is included in Investments in securities on the Statement of assets and liabilities (Notes 1 and 9).

Δ This security, in part or in entirety, was pledged and segregated with the custodian for collateral on certain derivative contracts at the close of the reporting period. Collateral at period end totaled \$624,648 and is included in Investments in securities on the Statement of assets and liabilities (Notes 1 and 9).

L Affiliated company (Note 5). 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.

Unless otherwise noted, the rates quoted in Short-term investments security descriptions represent the weighted average yield to maturity.

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 or 3 Month US LIBOR rates, which were 2.24%, 3.80% and 4.46%, 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	30.1%
Education	21.1
Tax bonds	17.1
Land	10.2
Local debt	10.1

FUTURES CONTRACTS OUTSTANDING at 10/31/22

	Number of contracts	Notional amount	Value	Expiration date	Unrealized appreciation/(depreciation)
U.S. Treasury Bond Ultra 30yr (Short)	68	\$8,680,625	\$8,680,625	Dec-22	\$109,972
Unrealized appreciation					109,972
Unrealized (depreciation)					—
Total					\$109,972

OTC TOTAL RETURN SWAP CONTRACTS OUTSTANDING at 10/31/22

Swap counterparty/ Notional amount	Value	Upfront premium received (paid)	Termination date	Payments received (paid) by fund	Total return received by or paid by fund	Unrealized appreciation/(depreciation)
Citibank, N.A.						
\$3,500,000	\$176,719	\$—	12/22/22	—	3.74% minus Municipal Market Data Index AAA municipal yields 20 Year rate — At maturity	\$(176,718)
Morgan Stanley & Co. International PLC						
3,425,000	440,688	—	12/8/22	—	3.55% minus Municipal Market Data Index AAA municipal yields 30 Year rate — At maturity	(440,688)
Upfront premium received		—			Unrealized appreciation	—
Upfront premium (paid)		—			Unrealized (depreciation)	(617,406)
Total		\$—			Total	\$(617,406)

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:

	Valuation inputs		
Investments in securities:	Level 1	Level 2	Level 3
Municipal bonds and notes	\$—	\$393,770,234	\$—
Short-term investments	—	27,674,768	—
Totals by level	\$—	\$421,445,002	\$—

	Valuation inputs		
Other financial instruments:	Level 1	Level 2	Level 3
Futures contracts	\$109,972	\$—	\$—
Total return swap contracts	—	(617,406)	—
Totals by level	\$109,972	\$(617,406)	\$—

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

Statement of assets and liabilities 10/31/22

ASSETS

Investment in securities, at value (Notes 1 and 9):	
Unaffiliated issuers (identified cost \$461,860,554)	\$395,067,092
Affiliated issuers (identified cost \$26,377,910) (Notes 1 and 6)	26,377,910
Interest and other receivables	6,015,850
Receivable for investments sold	105,000
Receivable for variation margin on futures contracts (Note 1)	114,747
Prepaid assets	32,110
Total assets	427,712,709

LIABILITIES

Payable for investments purchased	99,824
Payable to broker	209,259
Payable for compensation of Manager (Note 2)	553,785
Payable for custodian fees (Note 2)	2,661
Payable for investor servicing fees (Note 2)	25,486
Payable for Trustee compensation and expenses (Note 2)	137,937
Payable for administrative services (Note 2)	628
Distributions payable to shareholders	1,654,204
Distributions payable to preferred shareholders (Note 1)	110,285
Payable for preferred share remarketing agent fees	20,698
Unrealized depreciation on OTC swap contracts (Note 1)	617,406
Payable for floating rate notes issued (Note 1)	35,571,180
Other accrued expenses	100,354
Total liabilities	39,103,707
Series A remarketed preferred shares: (240 shares authorized and issued at \$100,000 per share) (Note 4)	24,000,000
Series C remarketed preferred shares: (1,507 shares authorized and issued at \$50,000 per share) (Note 4)	75,350,000
Net assets	\$289,259,002

REPRESENTED BY

Paid-in capital — common shares (Unlimited shares authorized) (Notes 1 and 5)	\$364,102,084
Total distributable earnings (Note 1)	(74,843,082)
Total — Representing net assets applicable to common shares outstanding	\$289,259,002

COMPUTATION OF NET ASSET VALUE

Net asset value per common share (\$289,259,002 divided by 48,738,809 shares)	\$5.94
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The accompanying notes are an integral part of these financial statements.

Statement of operations Year ended 10/31/22

INVESTMENT INCOME	
Interest (including interest income of \$284,596 from investments in affiliated issuers) (Note 6)	\$18,638,329
Total investment income	18,638,329
EXPENSES	
Compensation of Manager (Note 2)	2,542,147
Investor servicing fees (Note 2)	177,636
Custodian fees (Note 2)	14,566
Trustee compensation and expenses (Note 2)	14,519
Administrative services (Note 2)	10,560
Interest and fee expense (Note 1)	632,959
Preferred share remarketing agent fees	151,098
Other	371,373
Fees waived and reimbursed by Manager (Note 2)	(35,925)
Total expenses	3,878,933
Expense reduction (Note 2)	(4,076)
Net expenses	3,874,857
Net investment income	14,763,472
REALIZED AND UNREALIZED GAIN (LOSS)	
Net realized gain (loss) on:	
Securities from unaffiliated issuers (Notes 1 and 3)	(4,480,682)
Futures contracts (Note 1)	2,009,016
Swap contracts (Note 1)	(2,338,250)
Total net realized loss	(4,809,916)
Change in net unrealized appreciation (depreciation) on:	
Securities from unaffiliated issuers	(100,020,612)
Futures contracts	(252,794)
Swap contracts	3,922
Total change in net unrealized depreciation	(100,269,484)
Net loss on investments	(105,079,400)
Net decrease in net assets resulting from operations	(90,315,928)
Distributions to Series A and C remarketed preferred shareholders (Note 1):	
From ordinary income	
Tax-exempt net investment income	(1,367,745)
From net realized short-term gains on investments	(8,959)
From net realized long-term gains on investments	(1,476)
Net decrease in net assets resulting from operations (applicable to common shareholders)	\$(91,694,108)

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

Statement of changes in net assets

INCREASE (DECREASE) IN NET ASSETS	Year ended 10/31/22	Year ended 10/31/21
Operations		
Net investment income	\$14,763,472	\$15,285,339
Net realized gain (loss) on investments	(4,809,916)	5,589,116
Change in net unrealized appreciation (depreciation) of investments	(100,269,484)	11,950,318
Net increase (decrease) in net assets resulting from operations	(90,315,928)	32,824,773
Distributions to Series A and C remarketed preferred shareholders (Note 1):		
From ordinary income		
Tax exempt net investment income	(1,367,745)	(129,591)
Net realized short-term gains on investments	(8,959)	—
From net realized long-term gains on investments	(1,476)	—
Net increase (decrease) in net assets resulting from operations (applicable to common shareholders)	(91,694,108)	32,695,182
Distributions to common shareholders (note 1):		
From ordinary income		
Taxable net investment income	(877,214)	(302,056)
Net realized short-term gains on investments	(1,267,503)	—
From tax exempt net investment income	(13,158,154)	(15,610,829)
From net realized long-term gains on investments	(207,262)	(2,864,924)
From return of capital	(3,248,483)	—
Increase from issuance of common shares in connection with reinvestment of distributions	235,479	532,866
Decrease from capital shares repurchased (Note 5)	(1,576,370)	—
Total increase (decrease) in net assets	(111,793,615)	14,450,239
NET ASSETS		
Beginning of year	401,052,617	386,602,378
End of year	\$289,259,002	\$401,052,617
NUMBER OF FUND SHARES		
Common shares outstanding at beginning of year	48,944,250	48,880,001
Shares issued in connection with dividend reinvestment plan	28,389	64,249
Shares repurchased (Note 5)	(233,830)	—
Common shares outstanding at end of year	48,738,809	48,944,250
Series A Remarketed preferred shares outstanding at beginning and end of year	240	240
Series C Remarketed preferred shares outstanding at beginning and end of year	1,507	1,507

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

Statement of cash flows Year ended October 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Net decrease in net assets from operations **\$(90,315,928)**

Adjustments to reconcile net decrease in net assets from operations to net cash provided by operating activities:

Purchase of investment securities	\$(115,600,040)
Proceeds from disposition of investment securities	142,979,445
Purchase of short-term investment securities, net	(9,008,092)
Premium amortization	3,328,114
Accretion discount	(1,038,477)
(Increase) decrease in interest and other receivables	544,178
(Increase) decrease in receivable for investments sold	(50,000)
Increase (decrease) in payable for investments purchased	(9,636,198)
(Increase) decrease in prepaid asset	(1,069)
Increase (decrease) in payable to broker	209,259
Increase (decrease) in payable for compensation of Manager	(115,618)
Increase (decrease) in payable for custodian fees	(908)
Increase (decrease) in payable for investor servicing	(8,385)
Increase (decrease) in payable for Trustee compensation and expenses	(31,783)
Increase (decrease) in payable for administrative services	63
Increase (decrease) in payable for preferred share remarketing fees	414
Increase (decrease) in payable for other accrued expenses	(20,942)
Net realized gain (loss) on investments	4,480,682
Net unrealized appreciation (depreciation) on OTC swap contracts during the year	484,557
Net unrealized appreciation (depreciation) on investments during the year	100,020,612
Net cash provided by operating activities	116,535,812

CASH FLOWS FROM FINANCING ACTIVITIES

Increase from dividends reinvested	235,479
Decrease from repurchase of capital shares	(1,576,370)
Distribution to common shareholders	(18,765,538)
Distribution to preferred shareholders	(1,270,695)
Decrease from tender option bond transactions	(4,842,760)
Net cash used in financing activities	(26,219,884)
Net increase in cash	—
Cash balance, beginning of year	—
Cash balance, end of year	\$—

Supplemental disclosure of cash flow information

Interest expense during the period **\$372,276**

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					
	Year ended				
	10/31/22	10/31/21	10/31/20	10/31/19	10/31/18
Net asset value, beginning of period (common shares)	\$8.19	\$7.91	\$8.15	\$7.64	\$7.95
Investment operations:					
Net investment income ^a	.30	.31	.33	.38	.40
Net realized and unrealized gain (loss) on investments	(2.13)	.35	(.17)	.54	(.35)
Total from investment operations	(1.83)	.66	.16	.92	.05
Distributions to preferred shareholders:					
From net investment income	(.03)	— ^e	(.02)	(.04)	(.04)
From capital gains	— ^e	—	(.01)	(.01)	—
Total from investment operations (applicable to common shareholders)	(1.86)	.66	.13	.87	.01
Distributions to common shareholders:					
From net investment income	(.29)	(.32)	(.33)	(.31)	(.37)
From capital gains	(.03)	(.06)	(.05)	(.07)	—
From return of capital	(.07)	—	—	—	—
Total distributions	(.39)	(.38)	(.38)	(.38)	(.37)
Increase from shares repurchased	—^e		.01	.02	.05
Net asset value, end of period (common shares)	\$5.94	\$8.19	\$7.91	\$8.15	\$7.64
Market price, end of period (common shares)	\$5.75	\$8.25	\$7.64	\$7.97	\$6.71
Total return at market price (%) (common shares)^b	(26.35)	13.11	0.77	24.89	(4.91)
Total return at net asset value (%) (common shares)^b	(23.46)	8.44	1.93	11.91	0.71
RATIOS AND SUPPLEMENTAL DATA					
Net assets, end of period (common shares) (in thousands)	\$289,259	\$401,053	\$386,602	\$401,242	\$385,024
Ratio of expenses to average net assets (including interest expense) (%) ^{c,d,f}	1.09 ^g	.93	.98 ^g	1.01	1.03
Ratio of net investment income to average net assets (%) ^c	3.75	3.73	3.92	4.21	4.54
Portfolio turnover (%)	24	21	38	36	28

(Continued on next page)

Financial highlights *cont.*

- ^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 Ratios reflect net assets available to common shares only; net investment income ratio also reflects reduction for dividend payments to preferred shareholders.
- ^d Includes amounts paid through expense offset arrangements, if any (Note 2).
- ^e Amount represents less than \$0.01 per share.
- ^f Includes interest and fee expense associated with borrowings which amounted to:

	Percentage of average net assets
October 31, 2022	0.18%
October 31, 2021	0.05
October 31, 2020	0.09
October 31, 2019	0.14
October 31, 2018	0.17

- ^g Reflects waiver of certain fund expenses in connection with the fund's remarketing preferred shares during the period. As a result of such waiver, the expenses of the fund for the period ended October 31, 2022 and October 31, 2020 reflect a reduction of 0.01% and less than 0.01% average net assets, respectively (Note 2).

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

Notes to financial statements 10/31/22

Within the following Notes to financial statements, references to “State Street” represent State Street Bank and Trust Company, references to “the SEC” represent the Securities and Exchange Commission, 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 “OTC”, if any, represent over-the-counter. Unless otherwise noted, the “reporting period” represents the period from November 1, 2021 through October 31, 2022.

Putnam Managed Municipal Income Trust (the fund) is a Massachusetts business trust, which is registered under the Investment Company Act of 1940, as amended, as a diversified closed-end management investment company. The goal of the fund is to seek a high level of current income exempt from federal income tax. The fund intends to achieve its goal by investing in a diversified portfolio of tax-exempt municipal securities which Putnam Management believes does not involve undue risk to income or principal. Up to 60% of the fund’s assets may consist of high-yield tax-exempt municipal securities that are below investment grade and involve special risk considerations. 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.

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 against or on behalf of the Putnam Funds, 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 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 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, and including amortization and accretion of premiums and discounts on debt securities, is recorded on the accrual basis.

Securities purchased or sold on a forward commitment 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.

Futures contracts The fund uses futures contracts for hedging treasury term structure risk and for yield curve positioning.

The potential risk to the fund is that the change in value of futures contracts may not correspond to the change in value of the hedged instruments. In addition, losses may arise from changes in the value of the underlying instruments, if there is an illiquid secondary market for the contracts, if interest or exchange rates move unexpectedly or if the counterparty to the contract is unable to perform. With futures, there is minimal counterparty credit risk to the fund since futures are exchange traded and the exchange's clearinghouse, as counterparty to all exchange traded futures, guarantees the futures against default. Risks may exceed amounts recognized on the Statement of assets and liabilities. When the contract is closed, the fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.

Futures contracts are valued at the quoted daily settlement prices established by the exchange on which they trade. The fund and the broker agree to exchange an amount of cash equal to the daily fluctuation in the value of the futures contract. Such receipts or payments are known as "variation margin."

Futures contracts outstanding at period end, if any, are listed after the fund's portfolio.

Total return swap contracts The fund entered into OTC and/or centrally cleared total return swap contracts, which are arrangements to exchange a market-linked return for a periodic payment, both based on a notional principal amount, for hedging and gaining exposure to interest rate and term structure risk.

To the extent that the total return of the security, index or other financial measure underlying the transaction exceeds or falls short of the offsetting interest rate obligation, the fund will receive a payment from or make a payment to the counterparty. OTC and/or centrally cleared total return swap contracts are marked to market daily based upon quotations from an independent pricing service or market maker. Any change is recorded as an unrealized gain or loss on OTC total return swaps. Daily fluctuations in the value of centrally cleared total return swaps are settled through a central clearing agent and are recorded in variation margin on the Statement of assets and liabilities and recorded as unrealized gain or loss. Payments received or made are recorded as realized gains or losses. Certain OTC and/or centrally cleared total return swap contracts may include extended effective

dates. Payments related to these swap contracts are accrued based on the terms of the contract. The fund could be exposed to credit or market risk due to unfavorable changes in the fluctuation of interest rates or in the price of the underlying security or index, the possibility that there is no liquid market for these agreements or that the counterparty may default on its obligation to perform. The fund's maximum risk of loss from counterparty risk or central clearing risk is the fair value of the contract. This risk may be mitigated for OTC total return swap contracts by having a master netting arrangement between the fund and the counterparty and for centrally cleared total return swap contracts through the daily exchange of variation margin. There is minimal counterparty risk with respect to centrally cleared total return swap contracts due to the clearinghouse guarantee fund and other resources that are available in the event of a clearing member default. Risk of loss may exceed amounts recognized on the Statement of assets and liabilities.

OTC and/or centrally cleared total return swap contracts outstanding, including their respective notional amounts at period end, if any, are listed after the fund's portfolio.

Master agreements The fund is a party to ISDA (International Swaps and Derivatives Association, Inc.) Master Agreements (Master Agreements) with certain counterparties that govern OTC derivative and foreign exchange contracts entered into from time to time. The Master Agreements may contain provisions regarding, among other things, the parties' general obligations, representations, agreements, collateral requirements, events of default and early termination. With respect to certain counterparties, in accordance with the terms of the Master Agreements, collateral pledged to the fund is held in a segregated account by the fund's custodian and, with respect to those amounts which can be sold or repledged, is presented in the fund's portfolio.

Collateral pledged by the fund is segregated by the fund's custodian and identified in the fund's portfolio. Collateral can be in the form of cash or debt securities issued by the U.S. Government or related agencies or other securities as agreed to by the fund and the applicable counterparty. Collateral requirements are determined based on the fund's net position with each counterparty.

Termination events applicable to the fund may occur upon a decline in the fund's net assets below a specified threshold over a certain period of time. Termination events applicable to counterparties may occur upon a decline in the counterparty's long-term and short-term credit ratings below a specified level. In each case, upon occurrence, the other party may elect to terminate early and cause settlement of all derivative and foreign exchange contracts outstanding, including the payment of any losses and costs resulting from such early termination, as reasonably determined by the terminating party. Any decision by one or more of the fund's counterparties to elect early termination could impact the fund's future derivative activity.

At the close of the reporting period, the fund had a net liability position of \$617,406 on open derivative contracts subject to the Master Agreements. Collateral pledged by the fund at period end for these agreements totaled \$624,648 and may include amounts related to unsettled agreements.

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 \$53,258,991 were held by the TOB trust and served as collateral for \$35,571,180 in floating-rate bonds outstanding. For the reporting period ended, the fund incurred interest expense of \$372,276 for these investments based on an average interest rate of 0.89%.

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 October 31, 2022, 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
\$5,546,407	\$320,256	\$5,866,663

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 Series A shares is generally a 28 day period, and generally a 7 day period for Series C. The applicable dividend rate for the remarketed preferred shares on October 31, 2022 was 3.795% on Series A, and 4.006% for Series C.

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 60-day "AA" composite commercial paper rate.

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. These differences include temporary and/or permanent differences from dividends payable and from market discount. 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. At the close of the reporting period, the fund reclassified \$539,076 to decrease distributions in excess of net investment income, and \$539,076 to increase accumulated net realized loss.

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 tax basis components of distributable earnings and the federal tax cost as of the close of the reporting period were as follows:

Unrealized appreciation	\$1,688,856
Unrealized depreciation	(68,900,785)
Net unrealized depreciation	(67,211,929)
Capital loss carryforward	(5,866,663)
Cost for federal income tax purposes	\$488,149,497

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 0.550% 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). 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. For the reporting period, Putnam Management reimbursed \$35,925 to the fund.

Putnam Investments Limited (PIL), an affiliate of Putnam Management, 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% (prior to July 1, 2022, the annual rate was 0.40%) 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 \$4,076 under the expense offset arrangements.

Each Independent Trustee of the fund receives an annual Trustee fee, of which \$265, 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)	\$115,600,040	\$142,979,445
U.S. government securities (Long-term)	—	—
Total	\$115,600,040	\$142,979,445

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 A (240) and C (1,507) Remarketed Preferred shares are redeemable at the option of the fund on any dividend payment date at a redemption price of \$100,000 per Series A Remarketed Preferred share and \$50,000 per Series C Remarketed Preferred 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. Total additional dividends for the reporting period were \$27,536.

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 October 31, 2022, no such restrictions have been placed on the fund.

Note 5: Shares repurchased

In September 2022, 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, 2023 (based on shares outstanding as of September 30, 2022). 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, 2022 (based on shares outstanding as of September 30, 2021). 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 233,830 common shares for an aggregate purchase price of \$1,576,370 which reflects a weighted-average discount from net asset value per share of 6.72%. The weighted-average discount reflects the payment of commissions by the fund to execute repurchase trades.

For the previous fiscal year, the fund did not repurchase any common shares.

At the close of the reporting period, Putnam Investments, LLC owned approximately 1,986 shares of the fund (0.004% of the fund's shares outstanding), valued at \$11,797 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 10/31/21	Purchase cost	Sale proceeds	Investment income	Shares outstanding and fair value as of 10/31/22
Short-term investments					
Putnam Short Term Investment Fund*	\$17,661,656	\$138,596,170	\$129,879,916	\$284,596	\$26,377,910
Total Short-term investments	\$17,661,656	\$138,596,170	\$129,879,916	\$284,596	\$26,377,910

* 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.

On July 27, 2017, the United Kingdom's Financial Conduct Authority ("FCA"), which regulates LIBOR, announced its intention to cease compelling banks to provide the quotations needed to sustain LIBOR after 2021. ICE Benchmark Administration, the administrator of LIBOR, ceased publication of most LIBOR settings on a representative basis at the end of 2021 and is expected to cease publication of a majority of U.S. dollar LIBOR settings on a representative basis after June 30, 2023. In addition, global regulators have announced that, with limited exceptions, no new LIBOR-based contracts should be entered into after 2021. LIBOR has historically been a common benchmark interest rate index used to make adjustments to variable-rate loans. It is used throughout global banking and financial industries to determine interest rates for a variety of financial instruments and borrowing arrangements. Actions by regulators have resulted in the establishment of alternative reference rates to LIBOR in most major currencies. Various financial industry groups have been planning for the transition away from LIBOR, but there are obstacles to converting certain longer-term securities and transactions to new reference rates. Markets are developing slowly and questions around liquidity in these rates and how to appropriately adjust these rates to mitigate any economic value transfer at the time of transition remain a significant concern. Neither the effect of the transition process nor its ultimate success can yet be known. The transition process might lead to increased volatility and illiquidity in markets that rely on LIBOR to determine interest rates. It could also lead to a reduction in the value of some LIBOR-based investments and reduce the effectiveness of related transactions, such as hedges. While some LIBOR-based instruments may contemplate a scenario where LIBOR is no longer available by providing for an alternative rate-setting methodology, not all may have such provisions and there may be significant uncertainty regarding the effectiveness of any such alternative methodologies. Since the usefulness of LIBOR as a benchmark could deteriorate during the transition period, these effects could occur at any time.

Beginning in January 2020, global financial markets have experienced, and may continue to experience, significant volatility resulting from the spread of a virus known as Covid-19. The outbreak of Covid-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand, and general market uncertainty. The effects of Covid-19 have adversely affected, and may continue to adversely affect, the global economy, the economies of certain nations, and individual issuers, all of which may negatively impact the fund's performance.

Note 8: Summary of derivative activity

The volume of activity for the reporting period for any derivative type that was held during the period is listed below and was based on an average of the holdings at the end of each fiscal quarter:

Futures contracts (number of contracts)	90
OTC total return swap contracts (notional)	\$18,100,000
Centrally cleared total return swap contracts (notional)	\$5,300,000

The following is a summary of the fair value of derivative instruments as of the close of the reporting period:

Fair value of derivative instruments as of the close of the reporting period				
Derivatives not accounted for as hedging instruments under ASC 815	ASSET DERIVATIVES		LIABILITY DERIVATIVES	
	Statement of assets and liabilities location	Fair value	Statement of assets and liabilities location	Fair value
Interest rate contracts	Receivables	\$109,972*	Payables	\$617,406
Total		\$109,972		\$617,406

* Includes cumulative appreciation/depreciation of futures contracts as reported in the fund's portfolio. Only current day's variation margin is reported within the Statement of assets and liabilities.

The following is a summary of realized and change in unrealized gains or losses of derivative instruments in the Statement of operations for the reporting period (Note 1):

Amount of realized gain or (loss) on derivatives recognized in net gain or (loss) on investments			
Derivatives not accounted for as hedging instruments under ASC 815	Futures	Swaps	Total
Interest rate contracts	\$2,009,016	\$(2,338,250)	\$(329,234)
Total	\$2,009,016	\$(2,338,250)	\$(329,234)

Change in unrealized appreciation or (depreciation) on derivatives recognized in net gain or (loss) on investments			
Derivatives not accounted for as hedging instruments under ASC 815	Futures	Swaps	Total
Interest rate contracts	\$(252,794)	\$3,922	\$(248,872)
Total	\$(252,794)	\$3,922	\$(248,872)

Note 9: Offsetting of financial and derivative assets and liabilities

The following table summarizes any derivatives, repurchase agreements and reverse repurchase agreements, at the end of the reporting period, that are subject to an enforceable master netting agreement or similar agreement. For securities lending transactions or borrowing transactions associated with securities sold short, if any, see Note 1. For financial reporting purposes, the fund does not offset financial assets and financial liabilities that are subject to the master netting agreements in the Statement of assets and liabilities.

	Citibank, N.A.	JPMorgan Securities LLC	Morgan Stanley & Co. International PLC	Total
Assets:				
OTC Total return swap contracts*#	\$—	\$—	\$—	\$—
Futures contracts [§]	—	114,747	—	114,747
Total Assets	\$—	\$114,747	\$—	\$114,747
Liabilities:				
OTC Total return swap contracts*#	176,718	—	440,688	617,406
Futures contracts [§]	—	—	—	—
Total Liabilities	\$176,718	\$—	\$440,688	\$617,406
Total Financial and Derivative Net Assets	\$(176,718)	\$114,747	\$(440,688)	\$(502,659)
Total collateral received (pledged)###†	\$(176,718)	\$—	\$(393,188)	
Net amount	\$—	\$114,747	\$(47,500)	
<i>Controlled collateral received (including TBA commitments)**</i>	\$—	\$—	\$—	\$—
<i>Uncontrolled collateral received</i>	\$—	\$—	\$—	\$—
<i>Collateral (pledged) (including TBA commitments)**</i>	\$(231,460)	\$—	\$(393,188)	\$(624,648)

* Excludes premiums, if any. Included in unrealized appreciation and depreciation on OTC swap contracts on the Statement of assets and liabilities.

** Included with Investments in securities on the Statement of assets and liabilities.

† Additional collateral may be required from certain brokers based on individual agreements.

Covered by master netting agreement (Note 1).

Any over-collateralization of total financial and derivative net assets is not shown. Collateral may include amounts related to unsettled agreements.

§ Includes current day's variation margin only as reported on the Statement of assets and liabilities, which is not collateralized. Cumulative appreciation/(depreciation) for futures contracts and centrally cleared swap contracts is represented in the tables listed after the fund's portfolio. Collateral pledged for initial margin on futures contracts, which is not included in the table above, amounted to \$459,399.

Note 10: New accounting pronouncements

In March 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-04, Reference Rate Reform (Topic 848) — *Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. The amendments in ASU 2020-04 provide optional temporary financial reporting relief from the effect of certain types of contract modifications due to the planned discontinuation of LIBOR and other interbank-offered based reference rates as of the end of 2021. The discontinuation of LIBOR was subsequently extended to June 30, 2023. ASU 2020-04 is effective for certain reference rate-related contract modifications that occur during the period March 12, 2020 through December 31, 2022. The adoption of the guidance will not have a material impact on the fund's financial statements.

Federal tax information (Unaudited)

For the reporting period, a portion of the fund's distribution represents a return of capital and is therefore not taxable to shareholders.

The fund has designated 94.27% of dividends paid from net investment income during the reporting period as tax exempt for federal income tax purposes.

The Form 1099 that will be mailed to you in January 2023 will show the tax status of all distributions paid to your account in calendar 2022.

Shareholder meeting results (Unaudited)

April 22, 2022 annual meeting

At the meeting, a proposal to fix the number of Trustees at 11 was approved as follows:

Votes for	Votes against	Abstentions
35,263,221	703,436	673,232

At the meeting, each of the nominees for Trustees was elected as follows:

	Votes for	Votes withheld
Liaquat Ahamed	34,669,568	1,970,383
Ravi Akhoury†	34,575,769	2,064,182
Barbara M. Baumann	35,023,835	1,616,116
Catharine Bond Hill	35,027,530	1,612,421
Paul L. Joskow†	34,829,555	1,810,396
Kenneth R. Leibler	34,613,336	2,026,614
Jennifer Williams Murphy††	35,058,806	1,581,145
Marie Pillai††	34,988,700	1,651,251
Robert L. Reynolds	35,179,532	1,460,419
Manoj P. Singh	34,777,042	1,862,908
Mona K. Sutphen	34,998,408	1,641,543

†Mr. Akhoury and Dr. Joskow retired on June 30, 2022.

††Mses. Murphy and Pillai have been elected to your fund's Board and began serving as Trustees on July 1, 2022.

A quorum was not present with respect to the matter of electing two Trustees to be voted on by the preferred shareholders voting as a separate class. As a result, in accordance with the fund's Declaration of Trust and Bylaws, independent Trustees Katinka Domotorffy and George Putnam, III, remain in office and continue to serve as Trustees.

All tabulations are rounded to the nearest whole number.

About the Trustees

INDEPENDENT TRUSTEES



Liaquat Ahamed

Born 1952, Trustee since 2012

Principal occupations during past

five years: Author; won Pulitzer Prize for *Lords of Finance: The Bankers Who Broke the World*.

Other directorships: Chair of the Sun Valley Writers Conference, a literary not-for-profit organization, and a Trustee of the Journal of Philosophy.



Barbara M. Baumann

Born 1955, Trustee since 2010, Vice Chair since 2022

Principal occupations during past

five years: President of Cross Creek Energy Corporation, a strategic consultant to domestic energy firms and direct investor in energy projects.

Other directorships: Director of Devon Energy Corporation, a publicly traded independent natural gas and oil exploration and production company; Director of National Fuel Gas Company, a publicly traded energy company that engages in the production, gathering, transportation, distribution, and marketing of natural gas; Senior Advisor to the energy private equity firm First Reserve; Director of three private, independent oil and gas exploration and production companies: Ascent Resources, LLC, Texas American Resources Company II, LLC, and IOG Resources, LLC; member of the Finance Committee of the Children's Hospital of Colorado; member of the Investment Committee of the Board of The Denver Foundation; and previously a Director of publicly traded companies Buckeye Partners LP, UNS Energy Corporation, CVR Energy Company, and SM Energy Corporation.



Katinka Domotorffy

Born 1975, Trustee since 2012

Principal occupations during past

five years: Voting member of the Investment Committees of the Anne Ray Foundation and Margaret A. Cargill Foundation, part of the Margaret A. Cargill Philanthropies.

Other directorships: Director of the Great Lakes Science Center and of College Now Greater Cleveland.



Catharine Bond Hill

Born 1954, Trustee since 2017

Principal occupations during past

five years: Managing Director of Ithaca S+R, a not-for-profit service that helps

the academic community navigate economic and technological change. From 2006 to 2016, Dr. Hill served as the 10th president of Vassar College.

Other directorships: Director of Yale-NUS College and Trustee of Yale University.



Kenneth R. Leibler

Born 1949, Trustee since 2006, Vice Chair from 2016 to 2018, Chair since 2018

Principal occupations during past

five years: Vice Chair Emeritus of the Board of Trustees of Beth Israel Deaconess Hospital in Boston. Member of the Investment Committee of the Boston Arts Academy Foundation.

Other directorships: Director of Eversource Corporation, which operates New England's largest energy delivery system; previously the Chair of the Boston Options Exchange, an electronic marketplace for the trading of listed derivatives securities; previously the Chair and Chief Executive Officer of the Boston Stock Exchange; and previously the President and Chief Operating Officer of the American Stock Exchange.



Jennifer Williams Murphy

Born 1964, Trustee since 2022

Principal occupations during past

five years: Chief Executive Officer and Founder of Runa Digital Assets, LLC, an institutional investment advisory firm specializing in active management of digital assets. Until 2021, Chief Operating Officer of Western Asset Management, LLC, a global investment adviser, and Chief Executive Officer and President of Western Asset Mortgage Capital Corporation, a mortgage finance real estate investment trust.

Other directorships: Previously, a Director of Western Asset Capital Corporation.



Marie Pillai

Born 1954, Trustee since 2022

Principal occupations during past

five years: Senior Advisor, Hunter Street Partners, LP, an asset-oriented private investment firm; Specialty Leader and Member of the Curriculum Committee of the Center for Board Certified Fiduciaries, a public benefit corporation providing coursework for developing fiduciaries. Until 2019, Vice President, Chief Investment Officer, and Treasurer of General Mills, Inc., a global food company.

Other directorships: Director of the Catholic Community Foundation of Minnesota; Investment Advisory Board Member of the University of Minnesota; Member of the Investment Committee of the Bush Foundation, a nonprofit organization supporting community problem-solving in Minnesota, North Dakota, and South Dakota; and previously, a Board Member of Catholic Charities of St. Paul and Minneapolis.



George Putnam, III

Born 1951, Trustee since 1984

Principal occupations during past five years: Chair of New Generation

Research, Inc., a publisher of financial advisory and other research services, and President of New Generation Advisors, LLC, a registered investment adviser to private funds.

Other directorships: Director of The Boston Family Office, LLC, a registered investment advisor; a Director of the Gloucester Marine Genomics Institute; previously a Trustee of the Marine Biological Laboratory; and previously a Trustee of Epiphany School.



Manoj P. Singh

Born 1952, Trustee since 2017

Principal occupations during past five years: Until 2015, Chief Operating

Officer and Global Managing Director at Deloitte Touche Tohmatsu, Ltd., a global professional services organization, serving on the Deloitte U.S. Board of Directors and the boards of Deloitte member firms in China, Mexico, and Southeast Asia.

Other directorships: Director of ReNew Energy Global plc, a publicly traded renewable energy company; Director of Abt Associates, a global research firm working in the fields of health, social and environmental policy, and international development; Trustee of Carnegie Mellon University; Director of Pratham USA, an organization dedicated to children’s education in India; member of the advisory board of Altimetrik, a business transformation and technology solutions firm; and Director of DXC Technology, a global IT services and consulting company.



Mona K. Sutphen

Born 1967, Trustee since 2020

Principal occupations during past five years: Partner, Investment Strategies, at

The Vistria Group, a private investment firm focused on middle-market companies in the health care, education, and financial services industries. From 2014 to 2018, Partner at Macro Advisory Partners, a global consulting firm.

Other directorships: Director of Spotify Technology S.A., a publicly traded audio content streaming service; Director of Unitek Learning, a private nursing and medical services education provider in the United States; Director of Pattern Energy Group LP, a private renewable energy company; Board Member, International Rescue Committee; Co-Chair of the Board of Human Rights First; Trustee of Mount Holyoke College; member of the Advisory Board for the Center on Global Energy Policy at Columbia University’s School of International and Public Affairs; previously Director of Pattern Energy and Pioneer Natural Resources, publicly traded energy companies; and previously Managing Director of UBS AG.

INTERESTED TRUSTEE



Robert L. Reynolds*

Born 1952, Trustee since 2008, President and Chief Executive Officer of Putnam Investments since 2008

Principal occupations during past five

years: President and Chief Executive Officer of Putnam Investments; member of Putnam Investments’ Board of Directors; and Chair of Great-West Lifeco U.S. LLC. Prior to 2019, also President and Chief Executive Officer of Great-West Financial, a financial services company that provides retirement savings plans, life insurance, and annuity and executive benefits products, and of Great-West Lifeco U.S. LLC, a holding company that owns Putnam Investments and Great-West Financial, and a member of Great-West Financial’s Board of Directors.

Other directorships: Director of the Concord Museum; Director of Dana-Farber Cancer Institute; Director of the U.S. Ski & Snowboard Foundation; Chair of the Boston Advisory Board of the American Ireland Fund; Council Co-Chair of the American Enterprise Institute; Member of U.S. Chamber of Commerce, Center for Capital Markets Competitiveness; Chair of Massachusetts High Technology Council; Member of the Chief Executives Club of Boston; Member of the Massachusetts General Hospital President’s Council; Director and former Chair of the Massachusetts Competitive Partnership; former Chair of the West Virginia University Foundation; and former Executive Committee Member of the Greater Boston Chamber of Commerce.

* Mr. Reynolds is an “interested person” (as defined in the Investment Company Act of 1940) of the fund and Putnam Investments. He is President and Chief Executive Officer of Putnam Investments, as well as the President of your fund and each of the other Putnam funds.

The address of each Trustee is 100 Federal Street, Boston, MA 02110.

As of October 31, 2022, there were 102 funds in the Putnam fund complex, including 96 Putnam Funds and six funds in Putnam ETF Trust. Each Trustee serves as Trustee of all Putnam Funds. In addition to serving as Trustees of the Putnam Funds, Dr. Hill, Mses. Domotorffy and Sutphen, and Mr. Ahamed serve as Trustees of Putnam ETF Trust.

Each Trustee serves for an indefinite term, until his or her resignation, retirement at age 75, removal, or death.

Officers

In addition to Robert L. Reynolds, the other officers of the fund are shown below:

James F. Clark *(Born 1974)*

Vice President and Chief Compliance Officer
Since 2016

Chief Compliance Officer and Chief Risk Officer,
Putnam Investments, and Chief Compliance Officer,
Putnam Management

Nancy E. Florek *(Born 1957)*

Vice President, Director of Proxy Voting and Corporate
Governance, Assistant Clerk, and Assistant Treasurer
Since 2000

Michael J. Higgins *(Born 1976)*

Vice President, Treasurer, and Clerk
Since 2010

Jonathan S. Horwitz *(Born 1955)*

Executive Vice President, Principal Executive Officer,
and Compliance Liaison
Since 2004

Richard T. Kircher *(Born 1962)*

Vice President and BSA Compliance Officer
Since 2019
Assistant Director, Operational Compliance, Putnam
Investments and Putnam Retail Management

Martin Lemaire *(Born 1984)*

Vice President and Derivatives Risk Manager
Since 2022
Risk Manager and Risk Analyst, Putnam Investments

Susan G. Malloy *(Born 1957)*

Vice President and Assistant Treasurer
Since 2007
Head of Accounting and Middle Office Services,
Putnam Investments and Putnam Management

Alan G. McCormack *(Born 1964)*

Vice President and Derivatives Risk Manager
Since 2022
Head of Quantitative Equities and Risk,
Putnam Investments

Denere P. Poulack *(Born 1968)*

Assistant Vice President, Assistant Clerk,
and Assistant Treasurer
Since 2004

Janet C. Smith *(Born 1965)*

Vice President, Principal Financial Officer, Principal
Accounting Officer, and Assistant Treasurer
Since 2007
Head of Fund Administration Services,
Putnam Investments and Putnam Management

Stephen J. Tate *(Born 1974)*

Vice President and Chief Legal Officer
Since 2021
General Counsel, Putnam Investments,
Putnam Management, and Putnam Retail Management

Mark C. Trenchard *(Born 1962)*

Vice President
Since 2002
Director of Operational Compliance, Putnam
Investments and Putnam Retail Management

The principal occupations of the officers for the past five years have been with the employers as shown above, although in some cases they have held different positions with such employers. The address of each officer is 100 Federal Street, Boston, MA 02110.

Putnam family of funds

The following is a list of Putnam's open-end mutual funds offered to the public. *Investors should carefully consider the investment objective, risks, charges, and expenses of a fund before investing. For a prospectus, or a summary prospectus if available, containing this and other information for any Putnam fund or product, contact your financial advisor or call Putnam Investor Services at 1-800-225-1581. Please read the prospectus carefully before investing.*

Blend

Core Equity Fund
Emerging Markets Equity Fund
Focused Equity Fund
Focused International Equity Fund
International Capital Opportunities Fund
International Equity Fund
Research Fund

Global Sector

Global Health Care Fund
Global Technology Fund

Growth

Growth Opportunities Fund
Small Cap Growth Fund
Sustainable Future Fund
Sustainable Leaders Fund

Value

International Value Fund
Large Cap Value Fund
Small Cap Value Fund

Income

Convertible Securities Fund
Diversified Income Trust
Floating Rate Income Fund
Global Income Trust
Government Money Market Fund*
High Yield Fund
Income Fund
Money Market Fund†
Mortgage Opportunities Fund
Mortgage Securities Fund
Short Duration Bond Fund
Ultra Short Duration Income Fund

Tax-free Income

Intermediate-Term Municipal Income Fund
Short-Term Municipal Income Fund
Strategic Intermediate Municipal Fund
Tax Exempt Income Fund
Tax-Free High Yield Fund
State tax-free income funds:‡
California, Massachusetts, Minnesota,
New Jersey, New York, Ohio, and Pennsylvania

Absolute Return

Fixed Income Absolute Return Fund
Multi-Asset Absolute Return Fund

Putnam PanAgora[§]

Putnam PanAgora Risk Parity Fund

Asset Allocation

Dynamic Risk Allocation Fund
George Putnam Balanced Fund
Dynamic Asset Allocation Balanced Fund
Dynamic Asset Allocation Conservative Fund
Dynamic Asset Allocation Growth Fund

Asset Allocation (cont.)

Putnam Retirement Advantage Maturity Fund
Putnam Retirement Advantage 2065 Fund
Putnam Retirement Advantage 2060 Fund
Putnam Retirement Advantage 2055 Fund
Putnam Retirement Advantage 2050 Fund
Putnam Retirement Advantage 2045 Fund
Putnam Retirement Advantage 2040 Fund
Putnam Retirement Advantage 2035 Fund
Putnam Retirement Advantage 2030 Fund
Putnam Retirement Advantage 2025 Fund
RetirementReady[®] Maturity Fund
RetirementReady[®] 2065 Fund
RetirementReady[®] 2060 Fund
RetirementReady[®] 2055 Fund
RetirementReady[®] 2050 Fund
RetirementReady[®] 2045 Fund
RetirementReady[®] 2040 Fund
RetirementReady[®] 2035 Fund
RetirementReady[®] 2030 Fund
RetirementReady[®] 2025 Fund

* **You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.**

† **You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. The fund may impose a fee upon sale of your shares or may temporarily suspend your ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.**

‡ **Not available in all states.**

§ **Sub-advised by PanAgora Asset Management.**

Check your account balances and the most recent month-end performance in the Individual Investors section at putnam.com.

Fund information

Founded over 80 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, asset allocation, absolute return, and global sector 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

Independent Registered Public Accounting Firm

PricewaterhouseCoopers 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

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President

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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.

