

Putnam American Government Income Fund

Summary prospectus

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Putnam American Government Income Fund

Prospectus dated January 30, 2018

Putnam Investment Management, LLC (“Putnam Management”), the investment manager of Putnam American Government Income Fund (“American Government Income Fund” or the “fund”), has recommended, and the fund’s Board of Trustees has approved, the merger of American Government Income Fund into Putnam U.S. Government Income Trust (“U.S. Government Income Trust”). Putnam Management and the fund’s Board of Trustees believe that the merger is in the best interest of American Government Income Fund and its shareholders.

American Government Income Fund and U.S. Government Income Trust have substantially similar investment goals and pursue substantially similar investment strategies. American Government Income Fund seeks high current income with preservation of capital as its secondary objective, while U.S. Government Income Trust seeks as high a level of current income as Putnam Management believes is consistent with preservation of capital. Both funds invest mainly in bonds and securitized debt instruments (such as mortgage-backed investments) that are obligations of the U.S. government, its agencies and instrumentalities and accordingly are backed by the full faith and credit of the United States or by only the credit of a federal agency or government-sponsored entity, and that have short-to long-term maturities.

Before the merger, U.S. Government Income Trust is expected to be repositioned to be able to invest more significantly in mortgages, mortgage-related fixed-income securities, and related derivatives. As part of this repositioning, U.S. Government Income Trust will be renamed “Putnam Mortgage Securities Fund.” While the repositioned fund’s investment goal will remain unchanged, U.S. Government Income Trust’s existing policy (under normal circumstances) to invest at least 80% of its net assets in U.S. government securities will be revised to instead require the repositioned fund (under normal circumstances) to invest at least 80% of its net assets in mortgages, mortgage-related fixed-income securities and related derivatives.

A full description of U.S. Government Income Trust and the terms of the merger will be contained in a prospectus is expected to be mailed to shareholders in late March, 2018. No shareholder approval of the merger is required.

Completion of the merger is subject to a number of conditions. The merger is currently expected to occur on or about April 23, 2018, with the net asset value of the shares to be issued in the merger expected to be determined on or about April 20, 2018. The merger is expected to be tax free for federal income tax purposes.

American Government Income Fund will be closed to new accounts on or about March 26, 2018. At any time prior to the close of the merger, you can sell your shares back to the fund or exchange them for shares of another Putnam fund any day the New York Stock Exchange is open. Shares may be sold or exchanged by mail, by phone, or online at putnam.com. Some restrictions may apply. Such exchanges will be taxable transactions.

The foregoing is not an offer to sell, nor a solicitation of an offer to buy, shares of U.S. Government Income Trust, nor is it a solicitation of any proxy. For more information regarding U.S. Government Income Trust, or to receive a free copy of the prospectus relating to the merger (and containing important information about fees, expenses and risk considerations) once a registration statement relating to the merger has been filed with the Securities and Exchange Commission and becomes effective, please call 1-800-225-1581. The prospectus relating to the merger will also be available for free on the Securities and Exchange Commission's Web site (<http://www.sec.gov>). Please read the prospectus relating to the merger carefully before making any investment decisions.

Shareholders should retain this Supplement for future reference.

Putnam American Government Income Fund

Before you invest, you may wish to review the fund's prospectus, which contains more information about the fund and its risks. You may obtain the prospectus and other information about the fund, including the statement of additional information (SAI) and most recent reports to shareholders, at no cost by visiting putnam.com/funddocuments, calling 1-800-225-1581, or e-mailing Putnam at funddocuments@putnam.com.

The fund's prospectus and SAI, both dated 1/30/18, are incorporated by reference into this summary prospectus.

Goal

Putnam American Government Income Fund seeks high current income with preservation of capital as its secondary objective.

Fees and expenses

The following table describes the fees and expenses you may pay if you buy and hold shares of the fund. You may qualify for sales charge discounts if you and your family invest, or agree to invest in the future, at least \$100,000 in class A shares or \$50,000 in class M shares of Putnam funds. More information about these and other discounts is available from your financial advisor and in *How do I buy fund shares?* beginning on page 11 of the fund's prospectus, in the Appendix to the fund's prospectus, and in *How to buy shares* beginning on page II-1 of the fund's statement of additional information (SAI).

Shareholder fees *(fees paid directly from your investment)*

Share class	Maximum sales charge (load) imposed on purchases (as a percentage of offering price)	Maximum deferred sales charge (load) (as a percentage of original purchase price or redemption proceeds, whichever is lower)
Class A	4.00%	1.00%*
Class B	NONE	5.00%**
Class C	NONE	1.00%***
Class M	3.25%	NONE
Class R	NONE	NONE
Class R5	NONE	NONE
Class R6	NONE	NONE
Class T	2.50%	NONE
Class Y	NONE	NONE

Annual fund operating expenses

(expenses you pay each year as a percentage of the value of your investment)

Share class	Management fees	Distribution and service (12b-1) fees	Other expenses	Total annual fund operating expenses
Class A	0.40%	0.25%	0.30%	0.95%
Class B	0.40%	1.00%	0.30%	1.70%
Class C	0.40%	1.00%	0.30%	1.70%
Class M	0.40%	0.50%	0.30%	1.20%
Class R	0.40%	0.50%	0.30%	1.20%
Class R5	0.40%	N/A	0.22%	0.62%
Class R6	0.40%	N/A	0.15%	0.55%
Class T	0.40%	0.25%	0.30%<	0.95%
Class Y	0.40%	N/A	0.30%	0.70%

* Applies only to certain redemptions of shares bought with no initial sales charge.

** This charge is phased out over six years.

*** This charge is eliminated after one year.

< Other expenses are based on expenses of class A shares for the fund's last fiscal year.

Example

The following hypothetical example is intended to help you compare the cost of investing in the fund with the cost of investing in other funds. It assumes that you invest \$10,000 in the fund for the time periods indicated and then, except as indicated, redeem all your shares at the end of those periods. It assumes a 5% return on your investment each year and that the fund's operating expenses remain the same. Your actual costs may be higher or lower.

Share class	1 year	3 years	5 years	10 years
Class A	\$493	\$691	\$904	\$1,520
Class B	\$673	\$836	\$1,123	\$1,810
Class B (no redemption)	\$173	\$536	\$923	\$1,810
Class C	\$273	\$536	\$923	\$2,009
Class C (no redemption)	\$173	\$536	\$923	\$2,009
Class M	\$443	\$694	\$963	\$1,732
Class R	\$122	\$381	\$660	\$1,455
Class R5	\$63	\$199	\$346	\$774
Class R6	\$56	\$176	\$307	\$689
Class T	\$345	\$545	\$762	\$1,387
Class Y	\$72	\$224	\$390	\$871

Portfolio turnover

The fund pays transaction-related costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher turnover rate may indicate higher transaction costs and may result in higher taxes when the fund's shares are held in a taxable account. These costs, which are not reflected in annual fund operating

expenses or the above example, affect fund performance. The fund's turnover rate in the most recent fiscal year was 951%.

Investments, risks, and performance

Investments

We invest mainly in bonds and securitized debt instruments (such as mortgage backed investments) that are obligations of the U.S. government, its agencies and instrumentalities and accordingly are backed by the full faith and credit of the United States (e.g., U.S. Treasury bonds and Ginnie Mae mortgage-backed bonds) or by only the credit of a federal agency or government-sponsored entity (e.g., Fannie Mae and Freddie Mac mortgage-backed bonds), and that have short- to long-term maturities. Under normal circumstances, we invest at least 80% of the fund's net assets in U.S. government securities. We may invest up to 20% of the fund's net assets in mortgage-backed and other asset-backed securities of private (non-governmental) issuers and securities issued by money market funds, in each case rated AAA or its equivalent at the time of purchase by a nationally recognized securities rating agency or, if unrated, that we determine to be of comparable quality. This policy may be changed only after 60 days' notice to shareholders.

We may consider, among other factors, credit, interest rate and prepayment risks, as well as general market conditions, when deciding whether to buy or sell investments. We typically use to a significant extent derivatives, such as futures, options and swap contracts, for both hedging and non-hedging purposes.

Risks

It is important to understand that you can lose money by investing in the fund.

The value of bonds in the fund's portfolio may fall or fail to rise over extended periods of time for a variety of reasons, including general financial market conditions, changing market perceptions (including perceptions about the risk of default and expectations about monetary policy or interest rates), changes in government intervention in the financial markets, and factors related to a specific issuer or industry. These and other factors may lead to increased volatility and reduced liquidity in the fund's portfolio holdings. The risks associated with bond investments include interest rate risk, which means the value of the fund's investments is likely to fall if interest rates rise. Bond investments are also subject to credit risk, which is the risk that the issuer of a bond may default on payment of interest or principal. Credit risk is generally greater for debt not backed by the full faith and credit of the U.S. government, and interest rate risk is generally greater for longer-term bonds. Mortgage-backed investments, unlike traditional debt investments, are also subject to prepayment risk, which means that they may increase in value less than other

bonds when interest rates decline and decline in value more than other bonds when interest rates rise. We may have to invest the proceeds from prepaid investments, including mortgage-backed investments, in other investments with less attractive terms and yields.

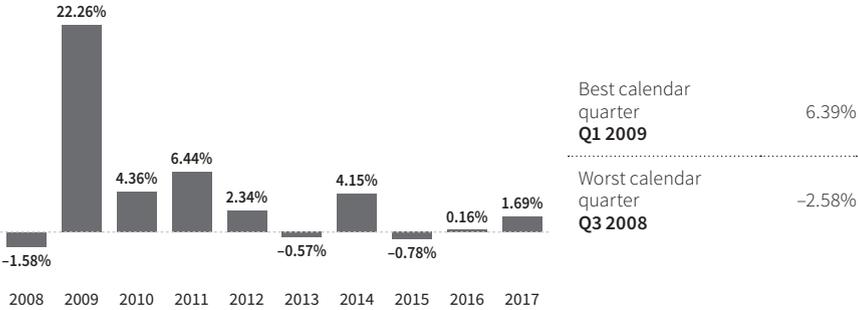
Our use of derivatives may increase the risks of investing in the fund by increasing investment exposure (which may be considered leverage) or, in the case of many over-the-counter instruments, because of the potential inability to terminate or sell derivatives positions and the potential failure of the other party to the instrument to meet its obligations.

The fund may not achieve its goal, and it is not intended to be a complete investment program. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Performance

The performance information below gives some indication of the risks associated with an investment in the fund by showing the fund's performance year to year and over time. The bar chart does not reflect the impact of sales charges. If it did, performance would be lower. Please remember that past performance is not necessarily an indication of future results. Monthly performance figures for the fund are available at putnam.com.

Annual total returns for class A shares before sales charges



Average annual total returns after sales charges

(for periods ending 12/31/17)

Share class	1 year	5 years	10 years
Class A before taxes	-2.38%	0.09%	3.23%
Class A after taxes on distributions	-3.38%	-0.92%	1.80%
Class A after taxes on distributions and sale of fund shares	-1.35%	-0.39%	2.07%
Class B before taxes	-4.14%	-0.21%	3.02%
Class C before taxes	-0.06%	0.16%	2.88%
Class M before taxes	-1.90%	0.01%	3.05%
Class R before taxes	1.40%	0.66%	3.39%
Class R5 before taxes*	1.97%	1.21%	3.93%
Class R6 before taxes*	2.00%	1.29%	3.97%
Class T before taxes**	-0.85%	0.40%	3.39%
Class Y before taxes	1.86%	1.17%	3.91%
Bloomberg Barclays Government Bond Index (no deduction for fees, expenses or taxes)	2.30%	1.28%	3.23%

* Performance for class R5 and class R6 shares prior to their inception (7/2/12) is derived from the historical performance of class Y shares and has not been adjusted for the lower investor servicing fees applicable to class R5 and class R6 shares; had it, returns would have been higher.

** Class T shares were not outstanding during the periods shown. Performance shown for class T shares is derived from the historical performance of class A shares, adjusted for the lower initial sales charge currently applicable to class T shares.

After-tax returns reflect the historical highest individual federal marginal income tax rates and do not reflect state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns are shown for class A shares only and will vary for other classes. These after-tax returns do not apply if you hold your fund shares through a 401(k) plan, an IRA, or another tax-advantaged arrangement.

Class B share performance reflects conversion to class A shares after eight years.

Your fund's management

Investment advisor

Putnam Investment Management, LLC

Portfolio managers

Michael Salm

Co-Head of Fixed Income, portfolio manager of the fund since 2007

Jatin Misra

Portfolio Manager, portfolio manager of the fund since 2017

Sub-advisor

Putnam Investments Limited*

* Though the investment advisor has retained the services of Putnam Investments Limited (PIL), PIL does not currently manage any assets of the fund.

Purchase and sale of fund shares

You can open an account, purchase and/or sell fund shares, or exchange them for shares of another Putnam fund by contacting your financial advisor or by calling Putnam Investor Services at 1-800-225-1581. Purchases for class B shares are closed to new and existing investors except by exchange from class B shares of another Putnam fund or through dividend and/or capital gains reinvestment.

When opening an account, you must complete and mail a Putnam account application, along with a check made payable to the fund, to: Putnam Investor Services, P.O. Box 8383, Boston, MA 02266-8383. The minimum initial investment of \$500 is currently waived, although Putnam reserves the right to reject initial investments under \$500 at its discretion. There is no minimum for subsequent investments.

You can sell your shares back to the fund or exchange them for shares of another Putnam fund any day the New York Stock Exchange (NYSE) is open. Shares may be sold or exchanged by mail, by phone, or online at putnam.com. Some restrictions may apply.

Tax information

The fund's distributions will be taxed as ordinary income or capital gains unless you hold the shares through a tax-advantaged arrangement, in which case you will generally be taxed only upon withdrawal of monies from the arrangement.

Financial intermediary compensation

If you purchase the fund through a broker/dealer or other financial intermediary (such as a bank or financial advisor), the fund and its related companies may pay that intermediary for the sale of fund shares and related services. Please bear in mind that these payments may create a conflict of interest by influencing the broker/dealer or other intermediary to recommend the fund over another investment. Ask your advisor or visit your advisor's website for more information.

Information about the Summary Prospectus, Prospectus, and SAI

The summary prospectus, prospectus, and SAI for a fund provide information concerning the fund. The summary prospectus, prospectus, and SAI are updated at least annually and any information provided in a summary prospectus, prospectus, or SAI can be changed without a shareholder vote unless specifically stated otherwise. The summary prospectus, prospectus, and the SAI are not contracts between the fund and its shareholders and do not give rise to any contractual rights or obligations or any shareholder rights other than any rights conferred explicitly by federal or state securities laws that may not be waived.

Additional information, including current performance, is available at putnam.com/funddocuments, by calling 1-800-225-1581, or by e-mailing Putnam at funddocuments@putnam.com.

Class T shares of the fund
are not currently available
for purchase.

