



**Robert L. Salvin**  
Portfolio Manager  
(industry since 1986)



**Anthony J. Daigle**  
Portfolio Manager  
(industry since 2004)

**Objective**

The fund seeks, with equal emphasis, current income and capital appreciation. Its secondary objective is conservation of capital.

**Morningstar category**

Convertibles

**Lipper category**

Convertible Securities

**Benchmark**

ICE BofA U.S. Convertible Index

**Fund symbols**

Class A	PCONX
Class B	PCNBX
Class C	PRCCX
Class R	PCVRX
Class R6	PCNTX
Class Y	PCGYX

**Net assets**

\$998.28M

**Number of holdings**

139

**Dividend frequency**

Quarterly

# Putnam Convertible Securities Fund

Offering investors the diverse benefits of convertible securities since 1972

**Balanced profile**

The fund seeks to achieve an equilibrium balancing much of the upside potential of equities, the lower downside risk of bonds, and an attractive current yield.

**Effective diversification**

The fund offers diversification potential for investor portfolios: Convertible securities may provide more attractive risk-adjusted returns than stocks and have near zero correlation with aggregate bond strategies.

**Joint venture**

Uniquely combining both dedicated fixed income and equity expertise to enhance the ability to fully exploit these hybrid securities.

**Top ten holdings**

Broadcom	2.28%
Square	2.17
Southwest Airlines	2.08
NextEra Energy	1.96
Zillow Group	1.80
Liberty Media	1.73
Danaher	1.65
Palo Alto Networks	1.55
Tesla	1.55
Exact Sciences	1.54

Holdings represent 18.31% of the portfolio and will vary over time.

**Sector weightings**

Information technology	33.0%
Consumer discretionary	20.9
Health care	17.9
Communication services	10.5
Industrials	6.4
Utilities	4.3
Financials	1.6
Energy	1.5
Consumer staples	0.7
Real estate	0.6
Cash and net other assets	2.6

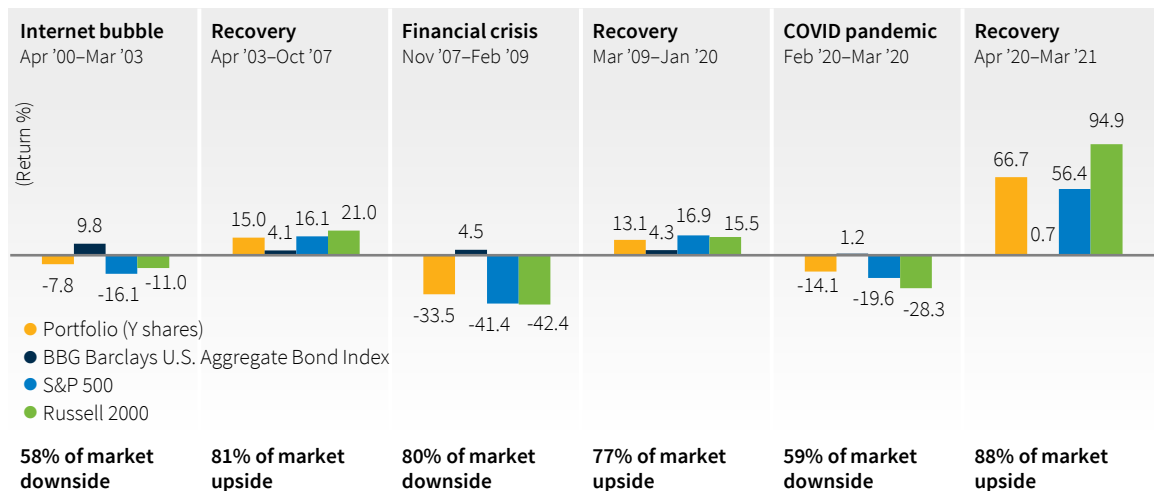
Allocations will vary over time. Due to rounding, percentages may not equal 100%.

**Portfolio composition**

Convertible bonds and notes	80.3%
Mandatories	14.5
Common stock	1.9
Convertible preferred stock	0.7
Cash and net other assets	2.6

**Convertibles may offer upside potential with downside protection**

Asset class returns over various market cycles



Source: Putnam, as of 3/31/21. All returns are annualized. Fund performance is shown net of fees. Indexes are unmanaged and do not incur expenses. You cannot invest directly in an index. Past performance is not a guarantee of future results.

Current performance may be lower or higher than the quoted past performance, which cannot guarantee future results. Share price, principal value, and return will vary, and you may have a gain or a loss when you sell your shares. Performance of class A and Y shares assumes reinvestment of distributions and does not account for taxes. After-sales-charge returns for class A reflect a maximum 4.00% load. Returns for class Y shares prior to their inception are derived from the historical performance of class A shares, which have not been adjusted for their lower expenses; had they, returns would have been higher. Class Y shares, available to investors through an asset-based fee program or for institutional clients, are sold without an initial sales charge and have no CDSC. For the most recent month-end performance, please visit putnam.com.

**Not FDIC insured  
May lose value  
No bank guarantee**

**Morningstar rankings**

(Y shares, based on total return)

1 year	46% (42/77)
3 years	50% (40/72)
5 years	41% (32/71)
10 years	40% (21/50)

**Total expense ratio**

(Y shares)

0.79%

(A shares)

1.04%

**Beta**

0.93

**30-day SEC yield**

(Y shares)

0.09%

**Annual performance (all distributions reinvested)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 YTD
Y shares at net asset value	15.4%	22.3%	7.7%	-6.8%	9.8%	15.2%	-3.1%	24.6%	45.3%	1.1%
A shares before sales charge	15.1	22.0	7.5	-7.0	9.5	14.9	-3.3	24.3	45.0	1.0
Benchmark	15.0	24.9	9.4	-3.0	10.4	13.7	0.2	23.2	46.2	2.9
Lipper category average	11.6	22.9	6.3	-3.9	8.2	13.4	-1.7	22.9	43.2	1.7

**Annualized total return performance**

	1 year	3 years	5 years	10 years	Life of fund
Y shares (Inception 12/30/98)	66.68%	20.30%	17.88%	11.00%	10.46%
A shares (Inception 6/29/72) before sales charge	66.26	19.99	17.58	10.72	10.33
A shares after sales charge	56.70	17.64	16.19	10.07	10.20
Benchmark	74.13	21.91	18.80	12.35	—
Lipper category average	64.84	20.08	17.23	10.56	10.33

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**Highlights of five-year performance periods (6/29/72–3/31/21)\***

	Best 5-year return	Best period end date	Worst 5-year return	Worst period end date	Average 5-year return	% of 5-year periods with positive returns	Number of positive 5-year periods	Number of negative 5-year periods
Y shares	23.04%	3/31/83	-3.30%	12/31/08	10.52%	97%	171	5
A shares	23.04	3/31/83	-3.55	12/31/08	10.40	97	171	5

\* Based on annualized returns for quarterly rolling periods.

The ICE BofA U.S. Convertible Index tracks the performance of publicly issued U.S.-dollar-denominated convertible securities of U.S. companies. The Lipper Convertible Securities Funds Average is an arithmetic average of the total return of all Lipper Convertible Securities Funds. ICE Data Indices, LLC (ICE BofA), used with permission. ICE BofA permits use of the ICE BofA indices and related data on an "as is" basis; makes no warranties regarding same; does not guarantee the suitability, quality, accuracy, timeliness, and/or completeness of the ICE BofA indices or any data included in, related to, or derived therefrom; assumes no liability in connection with the use of the foregoing; and does not sponsor, endorse, or recommend Putnam Investments, or any of its products or services. You cannot invest directly in an index.

Morningstar rankings for class Y shares are based on total return without sales charge relative to all share classes of funds with similar objectives as determined by Morningstar. Morningstar rankings may differ significantly from Morningstar's risk-adjusted star ratings. Past performance is not indicative of future results.

**Beta** is defined as a fund's sensitivity to market movements and is used to evaluate market related, or systematic, risk. It is a historical measure of the variability of return earned by an investment portfolio. Risk statistics are measured using a 3-year regression analysis. For funds with shorter track records, Since Inception analysis is used.

Not all share classes are available on all platforms.

**Consider these risks before investing:** 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, government actions, geopolitical events or changes, 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 are generally greater for convertible securities issued by small and/or midsize companies. Convertible securities' prices may be adversely affected by underlying common stock price changes. While convertible securities tend to provide higher yields than common stocks, the higher yield may not protect against the risk of loss or mitigate any loss associated with a convertible security's price decline. Convertible securities are subject to credit risk, which is the risk that an issuer of the fund's investments may default on payment of interest or principal. Credit risk is generally greater for below-investment-grade convertible securities. Convertible securities may be less sensitive to interest-rate changes than non-convertible bonds because of their structural features (e.g., convertibility, "put" features). Interest-rate risk is generally greater, however, for longer-term bonds and convertible securities whose underlying stock price has fallen significantly below the conversion price. Our investment techniques, analyses, and judgments may not produce the intended outcome, and the investments we select for the fund may not perform as well as other securities that were not selected for the fund. We, or the fund's other service providers, may experience disruptions or operating errors that could negatively impact the fund. You can lose money by investing in the fund.

**Request a prospectus or a summary prospectus, if available, from your financial representative or by calling Putnam at 1-800-225-1581. These prospectuses include investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.**

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Putnam Retail Management  
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