

Portfolio Managers

Robert J. Schoen
(industry since 1990)

James A. Fetch
(industry since 1994)

Jason R. Vaillancourt, CFA
(industry since 1993)

Objective

The fund seeks total return consistent with preservation of capital.

Morningstar category

Tactical Allocation

Lipper category

Mixed-Asset Target Allocation Conservative

Fund symbols

Class A	PACAX
Class B	PACBX
Class C	PACCX
Class M	PACMX
Class R	PACRX
Class Y	PACYX

Number of holdings

1,728

Net assets

\$1,144.85M

Dividend frequency

Monthly

Putnam Dynamic Asset Allocation Conservative Fund

A globally diversified fund for preserving wealth

More than 10 asset classes

The fund holds a variety of investments in all market conditions to be positioned to benefit from a wide range of opportunities.

Individual securities

The managers select individual stocks and bonds, not other funds, to finely tune the portfolio and avoid overlap in holdings.

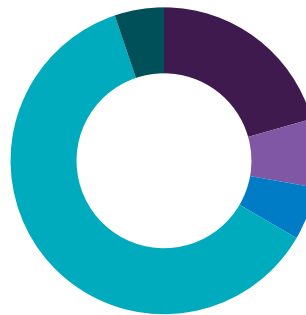
Active rebalancing

The managers proactively pursue opportunities and regularly rebalance the portfolio to maintain a consistent risk profile.

A flexible stock-bond mix

Stocks	
● U.S. large-cap equity	20.6%
● International equity	7.2
● U.S. small- and mid-cap equity	5.6
Bonds	
● U.S. investment-grade bonds	61.4
● U.S. high-yield bonds	5.2

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



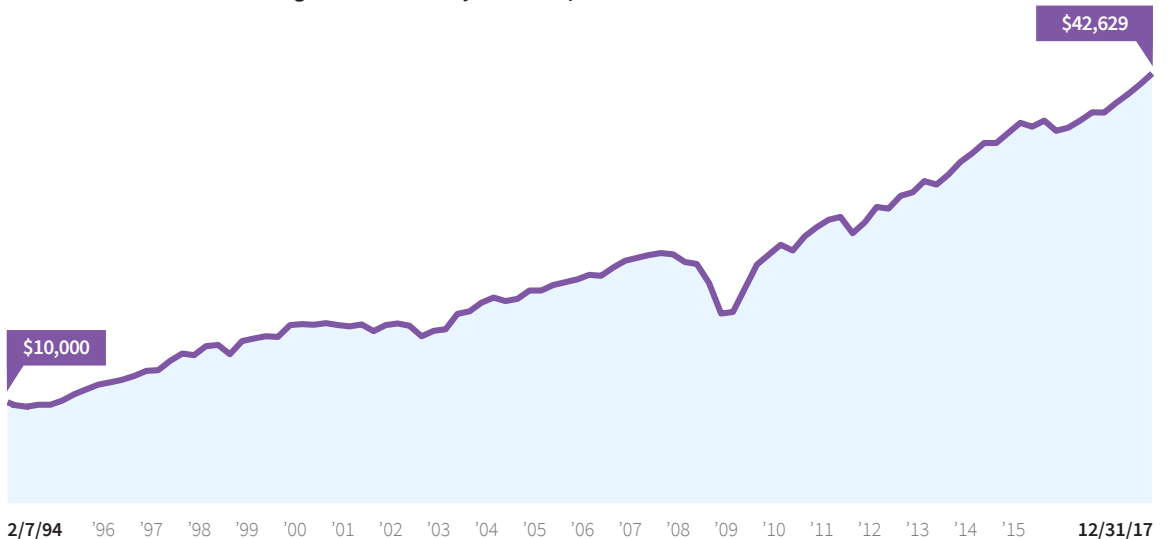
Top ten holdings

GNMA 3.50% 08/20/2047
FNMA 3.50% 01/01/2048
FNMA 3.00% 12/01/2031
FNMA TBA 3.00% 01/01/2048
FHMLC 4.00% 11/01/2045
Microsoft
Letras Del Tesoro 0.00% 03/09/2018
Alphabet
Bilhetes do Tesouro 0.00% 05/18/2018
JPMorgan Chase

Holdings represent 19.2% of the portfolio and will vary over time.

Growth of a \$10,000 investment

The fund has returned an average of 6.3% annually since inception.



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 Y shares assumes reinvestment of distributions and does not account for taxes. 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. Performance for class Y shares before their inception are derived from the historical performance of class A shares (inception 2/7/94), which have not been adjusted for the lower expenses; had they, returns would have been higher. For the most recent month-end performance, please visit putnam.com.

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



The fund received a 4-star Overall Morningstar Rating as of 12/31/17 among 258 funds in the Tactical Allocation category (Y shares, based on risk-adjusted returns)

Lipper rankings

(Y shares, based on total return)

1 year	24% (84/351)
3 years	18% (56/315)
5 years	6% (15/287)
10 years	11% (23/215)

Total expense ratio

(Y shares)
0.79%

Beta

0.36

Standard deviation

3.91

30-day SEC yield

1.83%

Beta measures volatility in relation to the fund's benchmark. A beta of less than 1.0 indicates lower volatility; a beta of more than 1.0, higher volatility than the benchmark.

Standard deviation measures how widely a set of values varies from the mean. It is a historical measure of the variability of return earned by an investment portfolio. For fixed income and equity funds, risk statistics are measured using a 3- and 5-year regression analysis, respectively. For funds with shorter track records, Since Inception analysis is used.

The Bloomberg (BBG) Barclays U.S. Aggregate Bond Index is an unmanaged index of U.S. investment-grade fixed-income securities. The Putnam Conservative Blended Benchmark is a blended benchmark administered by Putnam Management and comprises 65% the Bloomberg Barclays U.S. Aggregate Bond Index, 25% the Russell 3000 Index, 5% the MSCI EAFE Index (ND), and 5% the JPMorgan Developed High Yield Index. You cannot invest directly in an index. Frank Russell Company is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes. Russell® is a trademark of Frank Russell Company.

For informational purposes only. Not an investment recommendation.

Putnam Retail Management
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Annual performance at net asset value (all distributions reinvested)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Y shares	-23.8%	30.9%	11.2%	1.7%	10.8%	9.8%	8.6%	0.5%	4.8%	10.0%
BBG Barclays U.S. Aggregate Bond Index	5.2	5.9	6.5	7.8	4.2	-2.0	6.0	0.6	2.7	3.5
Putnam Conservative Blended Benchmark	-11.3	15.3	10.0	5.3	8.5	7.8	6.9	0.4	5.9	9.0

Annualized total return performance

Inception 7/14/94	Class Y shares	BBG Barclays U.S. Aggregate Bond Index	Putnam Conservative Blended Benchmark
1 year	10.04%	3.54%	8.97%
3 years	5.06	2.24	5.04
5 years	6.68	2.10	5.95
10 years	5.61	4.01	5.55
Life of fund	6.26	5.31	—*

* The fund's custom benchmark was introduced on 12/31/94, which post-dates the inception of the fund.

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Highlights of five-year performance periods (2/7/94–12/31/17) †

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
12.85%	3/31/14	-1.45%	3/31/09	5.93%	97%	74	2

† Based on annualized returns for quarterly rolling periods.

The Morningstar Rating™ for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Putnam Dynamic Asset Allocation Conservative Fund received 3, 4, and 5 stars for the 3-, 5-, and 10-year periods among 258, 195, and 72 Tactical Allocation funds, respectively.

Lipper 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 Lipper.

Not all share classes are available on all platforms.

Consider these risks before investing: Allocation of assets among asset classes may hurt performance. Stock and bond prices may fall or fail to rise over time for several reasons, including general financial market conditions, changing market perceptions (including, in the case of bonds, perceptions about the risk of default and expectations about changes in 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. International investing involves currency, economic, and political risks. Emerging-market securities carry illiquidity and volatility risks. Investments in small and/or midsize companies increase the risk of greater price fluctuations. Growth stocks may be more susceptible to earnings disappointments, and value stocks may fail to rebound. Funds that invest in government securities are not guaranteed. 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. Bond investments are subject to interest-rate risk (the risk of bond prices falling if interest rates rise) and credit risk (the risk of an issuer defaulting on interest or principal payments). Default risk is generally higher for non-qualified mortgages. Interest-rate risk is generally greater for longer-term bonds, and credit risk is generally greater for below-investment-grade bonds. Unlike bonds, funds that invest in bonds have fees and expenses. The use of derivatives may increase these risks by increasing investment exposure (which may be considered leverage) or, in the case of 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. 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.