



The fund received a 4-star Overall Morningstar Rating as of 3/31/18 among 278 funds in the Multialternative category (A shares, based on risk-adjusted returns)

**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 positive total return.

**Non-directional strategies**

**Equity selection alpha:** Long/short or beta/market neutral equity strategies that focus on individual securities, basket of securities, and/or sectors. **Fixed income selection alpha:** Long/short and/or opportunistic alpha strategies within the more unique areas of the fixed-income market, such as the securitized mortgage market. **Fixed income sector alpha:** Long/short selections strategies either within a particular fixed-income sector or between sectors. **Regionalequity long/short:** Top-down equity long/short trades. Could be between two different countries or basket of countries. **Regional fixed income long/short:** Top-down fixed-income long/short trades. Could be between two different countries or basket of countries. **Commodity alpha:** Long/short trades focused on commodity markets. Could be between two different indices, sub-sectors, or different parts of the futures curve. **Currency alpha:** Long/short individual and/or baskets of currencies. **Alternative beta:** Seek different sources of market beta or risk premium, constructed in a way that is market neutral.

Effective April 30, 2018, Putnam Absolute Return 500 Fund merged into Putnam Absolute Return 700 Fund and the name of the fund changed to Putnam Multi-Asset Absolute Return Fund.

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

# Putnam Multi-Asset Absolute Return Fund

Seeks positive returns with a similar level of volatility

**Targeting positive returns**

The fund seeks positive returns with a similar level of volatility over a full market cycle.

**Global flexibility**

The strategy dynamically combines efficient beta and uncorrelated alpha strategies to create a well-diversified portfolio.

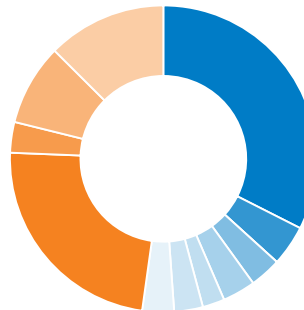
**Diversification potential**

Less influenced by traditional market risks, the fund can be an effective choice to improve portfolio efficiency.

**Diversified strategies make the portfolio more efficient**

The portfolio combines long and short directional beta strategies with non-directional alpha strategies. They have low or negative correlation to each other, and combining them can reduce portfolio volatility.

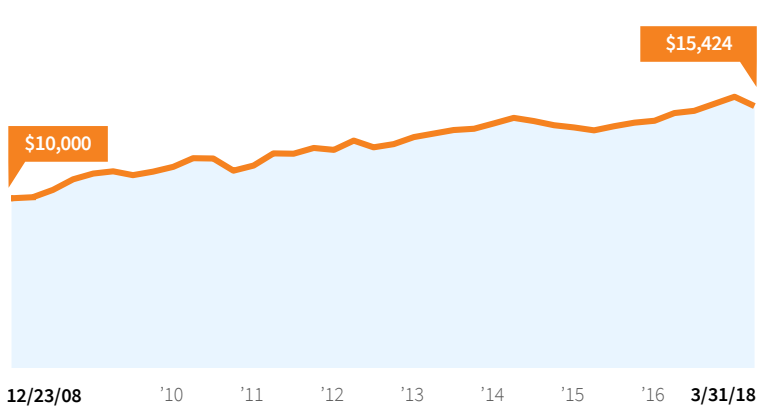
Directional strategies	48.10%
Equity	23.28
Credit	3.21
Rates	8.53
Inflation	12.47



Standalone risk allocations as of 3/31/18.

Non-directional strategies	51.89%
Equity selection alpha	32.26
Fixed income selection alpha	4.25
Fixed income sector alpha	0.00
Regional equity long/short	3.28
Regional fixed income long/short	3.46
Commodity alpha	2.31
Currency alpha	3.01
Alternative beta	3.32

**Growth of a \$10,000 investment**



**The fund has strong risk-adjusted returns with low market risk since inception**

**12/23/08-3/31/18**

Annualized return (A share)	4.79%
Standard deviation	4.56%
Sharpe ratio	1.01
Beta (S&P 500 Index)	0.25
Beta (BBG U.S. Aggregate Bond Index)	0.31

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 shares assumes reinvestment of distributions and does not account for taxes. Returns do not reflect a 5.75% sales charge; had they, returns would have been lower. For a portion of the periods, the fund had expense limitations, without which returns would have been lower. For the most recent month-end performance, please visit putnam.com.

**Total expense ratio**(A shares)  
1.08%What you pay  
1.07%

"What you pay" reflects Putnam Management's decision to contractually limit expenses through 4/30/19.

**Adjustable management fees**Base management fee  
0.72%Example of lower fee if fund underperforms its target by 1%  
0.68%Example of higher fee if fund outperforms its target by 1%  
0.76%Maximum performance adjustment  
+/-0.20%**Number of holdings**(as of 4/30/18)  
924**Net assets**(as of 4/30/18)  
\$1,865.91M**Dividend frequency**

Annually

**Fund symbols**

Class A	PDMAX
Class B	PDMBX
Class C	PDMCX
Class M	PDMMX
Class R	PDMRX
Class R6	PDMEX
Class Y	PDMYX

**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.

**Sharperatio** is a measure of historical adjusted performance calculated by dividing the fund's return minus the risk free rate (ML 3mth T-Bill) by the standard deviation of the fund's return. The higher the ratio, the better the fund's return per unit of risk.**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. Not all share classes are available on all platforms.

For informational purposes only. Not an investment recommendation.

Putnam Retail Management  
FS107\_A 311097 5/18**Annual performance at net asset value (all distributions reinvested)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 YTD
A shares	14.4%	3.5%	0.5%	7.8%	5.9%	6.0%	-1.7%	2.7%	9.7%	-3.4%
ICE BofAML U.S. Treasury Bill Index	0.3	0.2	0.1	0.1	0.1	0.1	0.1	0.4	0.8	0.3

**Annualized total return performance**

Inception 12/23/08	Before sales charge	After sales charge	ICE BofAML U.S. Treasury Bill Index
1 year	2.81%	-3.11%	1.04%
3 years	1.55	-0.43	0.53
5 years	2.89	1.68	0.35
Life of fund	4.79	4.12	0.27

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

The ICE BofAML U.S. Treasury Bill Index is an unmanaged index that tracks the performance of U.S. dollar-denominated U.S. Treasury bills publicly issued in the U.S. domestic market. Qualifying securities must have a remaining term of at least one month to final maturity and a minimum amount outstanding of \$1 billion. ICE Data Indices, LLC (ICE BofAML), used with permission. ICE BofAML permits use of the ICE BofAML 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 BofAML 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. Because the dollar amount of the monthly performance fee adjustment is based on the fund's average assets during the rolling performance period, the amount of any dollar adjustment as a percentage of a fund's current assets could exceed the "maximum annualized performance adjustment rates." Performance fee adjustments will not commence until a fund has been operating under a shareholder-approved management contract with a performance fee adjustment for at least 12 months.

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 Multi-Asset Absolute Return Fund received 4 and 4 stars for the 3- and 5-year periods among 278 and 150 Multialternative funds, respectively.

Not all share classes are available on all platforms.

**Consider these risks before investing:** Allocation of assets among asset classes may hurt performance. The value of stocks and 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, in the case of bonds, 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 also lead to increased volatility and reduced liquidity in the fund's portfolio holdings. Growth stocks may be more susceptible to earnings disappointments, and value stocks may fail to rebound. 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). Interest-rate risk is greater for longer-term bonds, and credit risk is greater for below-investment-grade bonds. Unlike bonds, funds that invest in bonds have fees and expenses. Lower-rated bonds may offer higher yields in return for more risk. Funds that invest in government securities are not guaranteed. Mortgage-backed securities are subject to prepayment risk and the risk that they may increase in value less when interest rates decline and decline in value more when interest rates rise. International investing involves currency, economic, and political risks. Emerging-market securities have illiquidity and volatility risks. Our alpha strategy may lose money or not earn a return sufficient to cover associated trading and other costs. Our use of leverage obtained through derivatives increases these risks by increasing investment exposure. Risks associated with derivatives include increased investment exposure (which may be considered leverage) and, in the case of over-the-counter instruments, 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's efforts to produce lower-volatility returns may not be successful and may make it more difficult at times for the fund to achieve its targeted return. Under certain market conditions, the fund may accept greater-than-typical volatility to seek its targeted return. The fund may not achieve its goal, and it is not intended to be a complete investment program. You can lose money by investing in the fund. The fund's prospectus lists additional risks.

The fund is not intended to outperform stocks and bonds during strong market rallies.

**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.**