

## Portfolio Managers

**Michael V. Salm**  
(industry since 1989)

**Andrew Benson**  
(industry since 2008)

**Brett S. Kozlowski, CFA**  
(industry since 1997)

## Objective

The fund seeks high current income consistent with what Putnam management believes to be prudent risk.

## Morningstar category

Intermediate Core-Plus Bond

## Lipper category

Core Bond

## Benchmark

Bloomberg U.S. Aggregate Bond Index

## Average effective duration

6.08

## 3-year average duration

5.96

Credit qualities are shown as a percentage of the fund's net assets. A bond rated BBB or higher is considered investment grade. This table reflects the highest security rating provided by one or more of Standard & Poor's, Moody's, and Fitch. Ratings and portfolio credit quality will vary over time. Net cash represents 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.**

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

# Putnam Income Fund

Pursuing income with an all-weather bond portfolio since 1954

## Diverse opportunities

The fund invests across all sectors of the U.S. bond market, including mortgage-backed securities, corporate bonds, and other government obligations.

## Flexible risk allocations

The fund takes a unique approach to asset allocation, dynamically establishing diversified risk exposures rather than sector exposures.

## Bottom-up approach

Security selection is the primary driver of returns, with subsector allocations and macro strategies also serving as potential alpha generators.

## Pursuing opportunities inside and outside the benchmark

Portfolio quality		Sector			
		Portfolio	Benchmark	Underweight	Overweight
AAA	32.8%	Agency pass-through	46.6%	26.6%	20.0
AA	3.3	Investment-grade corp bonds	27.7	24.5	3.2
A	11.2	Commercial MBS	14.2	1.7	12.5
BBB	22.1	Agency CMO	8.6	0.0	8.6
BB	4.2	Residential MBS (non-agency)	7.9	0.0	7.9
B	1.7	Collateralized loan obligations	7.5	0.0	7.5
CCC and below	2.3	Emerging market bonds	2.3	1.3	1.0
Not rated	5.0	Asset-backed securities (ABS)	2.1	0.5	1.6
Net cash	17.4	High-yield corp bonds	1.4	0.0	1.4
		Municipal bonds	0.2	0.6	-0.4
		U.S. Treasury/agency	0.0	42.5	-42.5
		International Treasury/agency	0.0	2.3	-2.3

Holdings represent 100% of the portfolio and will vary over time.

Source: Bloomberg Index Services Limited.

Net cash represents 17.4% of the portfolio.

14.0% of the portfolio is invested internationally.

Allocations will vary over time.

Fund allocations may not total 100% of net assets because the table includes the notional value of the derivatives (the economic value for purposes of calculating periodic payment obligations), in addition to the market value of securities.

**Fund symbols**

Class A	PINXC
Class B	PNCBX
Class C	PUICX
Class M	PNCMX
Class R	PIFRX
Class R6	PINHX
Class Y	PNCYX

**Morningstar rankings**

(Y shares, based on total return)

1 year	54% (297/627)
3 years	82% (425/562)
5 years	77% (387/526)
10 years	48% (163/373)

**Expense ratio**

(Y shares)

Total expense ratio	0.60%
What you pay	0.50%

(A shares)

Total expense ratio	0.85%
What you pay	0.75%

“What you pay” reflects Putnam Management’s decision to contractually limit expenses through 2/28/24.

**Net assets**

\$1,317.35M

**Number of holdings**

1,496

**Dividend frequency**

Monthly

**Standard deviation**

(Y shares)

6.26

**Average effective maturity**

11.53

**30-day SEC yield**

(Y shares)

Without subsidy	5.84%
With subsidy	5.99%

For informational purposes only. Not an investment recommendation.

Putnam Retail Management  
FS44\_YA 335248 10/23

**Annual performance (all distributions reinvested)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 YTD
Y shares at net asset value	5.46%	-1.51%	2.24%	6.10%	0.64%	11.68%	7.19%	-3.63%	-12.82%	-1.64%
A shares before sales charge	5.13	-1.75	2.04	5.83	0.46	11.18	7.06	-3.93	-12.96	-2.03
Benchmark	5.97	0.55	2.65	3.54	0.01	8.72	7.51	-1.54	-13.01	-1.21

Source: Bloomberg Index Services Limited.

**Annualized total return performance**

	Q3	1 year	3 years	5 years	10 years
Y shares (Inception 6/16/94)	-2.83%	1.23%	-5.42%	-0.18%	1.34%
A shares (Inception 11/1/54) before sales charge	-2.95	0.84	-5.70	-0.44	1.07
A shares after sales charge	-6.83	-3.20	-6.97	-1.25	0.66
Benchmark	-3.23	0.64	-5.21	0.10	1.13

Source: Bloomberg Index Services Limited.

**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. 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.**

**Highlights of five-year performance periods (11/1/54–9/30/23)\***

	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	20.63%	9/30/86	-1.18%	12/31/08	7.05%	98%	251	5
A shares	20.63	9/30/86	-1.40	12/31/08	6.94	98	251	5

\* Based on annualized returns for quarterly rolling periods.

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Not all share classes are available on all platforms.

**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. **Average effective maturity** depends on the maturity of the underlying bonds within each fund. The longer the maturity, the greater the interest-rate risk. **Average effective duration** provides a measure of a fund’s interest-rate sensitivity. The longer a fund’s duration, the more sensitive the fund is to shifts in interest rates. **3-year average duration** is an arithmetic average of month-end values over the previous 3-year period.

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.

**Consider these risks before investing:** 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. The fund may have to invest the proceeds from prepaid investments in other investments with less attractive terms and yields.

The fund’s investments in mortgage-backed securities and asset-backed securities, and in certain other securities and derivatives, may be or become illiquid. The fund’s exposure to mortgage-backed securities may make the fund’s net asset value more susceptible to economic, market, political, and other developments affecting the housing or real estate markets and the servicing of mortgage loans secured by real estate properties. The fund currently has significant investment exposure to commercial mortgage-backed securities. 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 generally greater for longer-term bonds, and credit risk is generally greater for below-investment-grade bonds. 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. Unlike bonds, funds that invest in bonds have fees and expenses. The value of investments in the fund’s portfolio may fall or fail to rise over 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.

Our investment techniques, analyses, and judgments may not produce the outcome we intend. We, or the fund’s other service providers, may experience disruptions or operating errors that could have a negative effect on 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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