

Taxable income funds As of June 30, 2020



	Diversified Income Trust ^{1,2,3,4,5,8,12}	Fixed Income Absolute Return Fund ^{1,2,3,4,5,7,12}	Floating Rate Income Fund ^{1,2,4,6,9,12}	Global Income Trust ^{1,2,3,4,5,7,8,12}	High Yield Fund ^{1,2,4,9,12}	Income Fund ^{1,2,4,5,8,12}	Mortgage Opportunities Fund ^{1,2,4,5,10,12}	Mortgage Securities Fund ^{1,2,5,10,12}	Short Duration Bond Fund ^{1,2,3,4,5,10,11,12}
Portfolio quality	6/30/20	6/30/20	6/30/20	6/30/20	6/30/20	6/30/20	6/30/20	6/30/20	6/30/20
AAA	61.32%	57.46%	—	45.77%	—	64.76%	68.21%	86.00%	11.37%
AA	1.60	10.11	—	10.47	—	3.93	2.55	5.81	14.14
A	6.86	8.02	1.10%	27.25	0.15%	16.02	2.74	13.11	26.25
BBB	10.43	15.61	11.23	31.02	15.37	18.98	6.49	9.89	27.37
BB	19.04	16.92	40.66	3.80	44.34	3.09	3.78	3.87	0.97
B	9.03	5.67	38.18	1.08	28.26	2.84	3.20	3.83	0.40
CCC and below	6.25	3.54	2.44	1.46	9.00	0.48	3.29	2.26	0.15
Not rated	-14.53	-17.33	0.23	-20.85	1.58	-10.10	9.74	-24.77	3.28
Net cash	—	—	6.16	—	1.30	—	—	—	16.07
Portfolio structure									
Agency CMO	19.89%	18.26%	—	5.55%	—	12.95%	36.91%	40.21%	0.03%
Agency pass-through	33.16	36.52	—	29.07	—	23.17	14.98	39.44	—
Asset-backed securities (ABS)	1.51	2.52	—	2.90	—	2.65	4.27	3.88	3.34
Bank loans	1.62	6.43	79.97%	—	4.98%	—	—	—	—
Commercial MBS	19.28	20.69	—	14.60	—	23.46	40.61	40.54	15.25
Convertible securities	6.91	2.27	0.02	—	1.83	—	—	—	—
Emerging-market bonds	13.96	6.31	0.31	7.98	1.40	—	—	—	—
Equity investments	—	—	0.18	—	0.33	—	—	—	—
High-yield corporate bonds	14.30	11.73	8.19	1.31	73.76	0.48	—	—	0.53
International Treasury/agency	0.12	—	—	28.22	0.45	—	—	—	—
Investment-grade corporate bonds	3.48	15.65	5.17	27.10	14.79	24.71	—	—	49.83
Municipal bonds	—	15.65	—	—	—	0.10	—	—	—
Residential MBS (non-agency)	11.13	9.56	—	8.83	—	10.64	19.68	20.73	15.02
U.S. Treasury/agency	—	—	—	—	—	—	—	—	—
Net cash	22.42	13.06	6.16	6.07	1.30	32.76	28.47	13.97	16.07
Annualized total return performance (class Y shares)									
One year at net asset value	-3.40%	0.48%	-2.71%	2.15%	-0.64%	7.15%	-4.99%	-0.26%	2.89%
3 years at net asset value	1.86	2.69	1.49	3.25	2.83	5.87	1.61	2.20	3.35
5 years at net asset value	2.44	2.63	2.16	3.23	3.81	4.27	2.24	1.43	2.75
10 years/life at net asset value	3.67	2.31	3.80	3.66	5.91	4.80	2.28	2.29	1.95
Total expense ratio	0.73	0.62	0.78	0.99	0.77	0.60	0.76	0.65	0.38
What you pay	0.73	0.62	0.78	0.65*	0.77	0.49*	0.54*	0.50	0.38
Fund data									
Number of holdings	1,957	1,296	188	1,212	594	1,585	885	1,026	580
Average effective duration	3.24	1.12	0.10	6.58	3.85	5.48	-0.91	1.19	1.76
30-day SEC yield without subsidy	3.93%	3.37%	2.66%	1.53%	4.73%	1.91%	3.59%	3.91%	1.41%
30-day SEC yield charge with subsidy	—	—	—	1.54%	—	2.02%	3.83%	4.07%	—
Symbols									
Class A	PDINX	PTRNX	PFLRX	PGGIX	PHYIX	PINCX	PMORX	PGSIX	PARTX
Class B	PSIBX	PTRBX	PFRBX	PGLBX	PHYBX	PNCBX	—	PGSBX	PARPX
Class C	PDVCX	PTRGX	PFICX	PGGLX	PHYLX	PUICX	PMOZX	PGVCX	PARQX
Class M	PDVMX	—	—	—	PHYMX	PNCMX	—	—	—
Class R	PDVRX	PTRKX	PFLX	PGBRX	PFJAX	PIFRX	—	PGVRX	PRARX
Class R6	PDVGX	PTREX	PFRZX	PGGEX	PHYUX	PINHX	PMOLX	POLYX	PRREX
Class Y	PDVYX	PYTRX	PFRYX	PGGYX	PHAYX	PNCYX	PMOYX	PUSYX	PARYX

* "What you pay" reflects Putnam Management's decision to contractually limit expenses through 2/28/22 for Global Income Trust, 5/31/22 for Mortgage Opportunities Fund, and 1/30/21 for Mortgage Securities Fund.

† Performance for class Y shares before their inception is derived from the historical performance of class I shares (inception 4/7/15), which have been adjusted for the higher operating expenses.

A negative percentage reflects the effect of fund strategies that are designed to enhance performance if certain securities decline in value.

Data is for class Y shares. Portfolio characteristics will vary over time. Due to rounding, percentages may not equal 100.

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 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. For the most recent month-end performance, please visit putnam.com.

- 1 The use of derivatives involves special risks and may result in losses.
- 2 Funds that invest in bonds are subject to certain risks including interest-rate risk, credit risk, and inflation risk. As interest rates rise, the prices of bonds fall. Long-term bonds are more exposed to interest-rate risk than short-term bonds. Unlike bonds, bond funds have ongoing fees and expenses.
- 3 International investing involves certain risks, such as currency fluctuations, economic instability, and political developments. Additional risks may be associated with emerging-market securities, including illiquidity and volatility.
- 4 Lower-rated bonds may offer higher yields in return for more risk.
- 5 Funds that invest in government securities are not guaranteed. Mortgage-backed securities are subject to prepayment risk. The use of derivatives involves special risks and may result in losses.
- 6 Putnam Floating Rate Income Fund is not a money market fund and does not seek to maintain a stable net asset value. Although floating rate instruments may reduce risk related to changes in interest rates, they do not eliminate it. In addition, the fund is subject to other significant risks associated with below investment-grade securities, such as the risk of default in payment on the instruments. Accordingly, the shares of the fund will fluctuate with market conditions.
- 7 The fund invests in fewer issuers or concentrates its investments by region or sector, and involves more risk than a fund that invests more broadly.
- 8 Credit qualities are shown as a percentage of net assets. A bond rated BBB or higher (A-3 or higher, for short-term debt) is considered investment grade. This chart reflects the highest security rating provided by one or more of Standard & Poor's, Moody's, and Fitch. Short-term cash bonds are included in their closest long-term equivalent rating category. To-be-announced (TBA) mortgage commitments, if any, are included based on their issuer ratings. Ratings and portfolio credit quality will vary over time. Derivative instruments, including currency forwards, are only included to the extent of any unrealized gain or loss on such instruments and are shown in the not-rated category. Cash is also shown in the not-rated category. Derivative offset values are included in the not-rated category and may result in negative weights. The fund itself has not been rated by an independent rating agency.
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- 10 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.
- 11 Allocation of assets among fixed-income strategies and sectors may hurt performance. The fund may not achieve its goal, and it is not intended to be a complete investment program. 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.
- 12 Our investment techniques, analyses, and judgments may not produce the outcome we intend. The investments we select for the fund may not perform as well as other securities that we do not select for the fund. We, or the fund's other service providers, may experience disruptions or operating errors that could have a negative effect on the fund.

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