

Diversify for income with funds that invest outside the Aggregate Index

	Putnam Short Duration Income Fund	Putnam Short Duration Bond Fund	Putnam Income Fund	Putnam Fixed Income Absolute Return Fund	Putnam Diversified Income Trust
Investment style	Absolute return	Benchmark aware	Benchmark aware	Absolute return	Absolute return
Duration exposure	0.15 years	1.79 years	5.00 years	-0.41 years	-0.40 years
Duration strategy	Positive: 1 year or less	Positive: 3 years or less; managed neutral to the ICE BofAML 1-3 Year U.S. Corporate Index	Positive: Managed relative to the BBG Barclays U.S. Aggregate Bond Index	Flexible: Can be negative or positive	Flexible: Can be negative or positive
30-day SEC yield (Y shares)	2.12% without subsidy 2.26% with subsidy	3.08%	3.99%	4.59%	4.99%
Opportunity set	Investment-grade money market and other ultrashort fixed income securities: <ul style="list-style-type: none"> • Commercial paper • Asset-backed securities • Repurchase agreements • Agencies • Agency MBS • IG corporates • CMBS • Non-agency RMBS • 100% investment grade, at time of purchase 	Diversified set of shorter dated fixed income securities <ul style="list-style-type: none"> • Agencies • Agency MBS • IG corporates • CMBS • Non-agency RMBS • Agency IO • High yield • Minimum 65% investment-grade securities 	All sectors of the U.S. bond market (USD and mainly investment grade): <ul style="list-style-type: none"> • Agencies • Agency MBS • IG corporates • CMBS • Non-agency RMBS • Agency IO 	Less constrained: <ul style="list-style-type: none"> • Agencies • Agency MBS • IG corporates • CMBS • Non-agency RMBS • Agency IO • High yield • Emerging-market debt • Currencies • Bank loans 	Less constrained: <ul style="list-style-type: none"> • Agencies • Agency MBS • IG corporates • CMBS • Non-agency RMBS • Agency IO • High yield • Emerging-market debt • Currencies • Bank loans • Convertibles
Correlation to BBG Barclays Aggregate Index	-0.07	-0.13	0.59	-0.32	-0.36
Fund AUM	Over \$12B	Over \$165M	Over \$1.5B	Over \$552M	Over \$4.7B
Morningstar category	Ultrashort bond	Short-term bond	Intermediate-term bond	Nontraditional bond	Nontraditional bond
How to position in portfolios	A lower volatility alternative to ultrashort bond funds	A shorter duration diversified bond strategy	A broadly diversified core bond strategy	A nontraditional income strategy	A more aggressive nontraditional income strategy
For investors seeking	<ul style="list-style-type: none"> • Potentially higher return on a conservative investment allocation • Options for diversifying significant short-term holdings • Liquidity for a short investment horizon of days or weeks • Low and sometimes negative correlation with the Aggregate Index 	<ul style="list-style-type: none"> • Diversification in sectors with higher risk/return profiles • Lower duration risk than the Aggregate Index • Low and sometimes negative correlation with the Aggregate Index 	<ul style="list-style-type: none"> • Flexible duration risk • Less alignment with the sector allocations of the BBG Barclays U.S. Aggregate Bond Index • Low correlation with the Aggregate Bond Index 	<ul style="list-style-type: none"> • Lower and more flexible duration risk • Diversification in sectors with higher risk/return profiles and lower correlation with investment-grade bonds • Negative correlation with the Aggregate Index 	<ul style="list-style-type: none"> • Low and flexible duration risk • Diversification in sectors with higher risk/return profiles and lower correlation with investment-grade bonds • Negative correlation with the Aggregate Index

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Source: Putnam, as of 9/30/18. Correlation reflects 3-year correlation to the BBG Barclays U.S. Aggregate Index, net of fees for Y shares. Effective 6/1/18, Putnam Absolute Return 100 Fund changed its name to Putnam Short Duration Bond Fund.

The funds offer solid track records

Putnam Short Duration Income Fund (PSDYX)

Inception	Class Y shares	ICE BofAML U.S. Treasury Bill Index
10/17/11		
1 year	1.87%	1.54%
3 years	1.41	0.82
5 years	1.05	0.52
Life of fund	0.99	0.41
Total expense ratio: 0.45%		
What you pay: 0.30% (effective through 11/30/18)		

Putnam Short Duration Bond Fund (PARYX)

Inception	Class Y shares	ICE BofAML 1-3 Year U.S. Corporate Index	ICE BofAML U.S. Treasury Bill — ICE BofAML 1-3 Year U.S. Corporate Linked Index
12/23/08			
1 year	2.23%	0.79%	1.60%
3 years	2.58	1.66	0.84
5 years	1.86	1.58	0.54
Life of fund	1.78	3.57	0.36
Total expense ratio: 0.38%			

Putnam Income Fund (PNCYX)*

Inception	Class Y shares	BBG Barclays U.S. Aggregate Bond Index
6/16/94		
1 year	1.63%	-1.22%
3 years	2.75	1.31
5 years	2.88	2.16
10 years	6.23	3.77
Life of fund	7.48	—
Total expense ratio: 0.63%		

* Putnam Income Fund class A shares inception date is 11/1/54.

Putnam Fixed Income Absolute Return Fund (PYTRX)

Inception	Class Y shares	ICE BofAML U.S. Treasury Bill Index
12/23/08		
1 year	3.69%	1.54%
3 years	3.57	0.82
5 years	2.58	0.52
Life of fund	2.92	0.35
Total expense ratio: 0.45%		

Putnam Diversified Income Trust (PDVYX)†

Inception	Class Y shares	ICE BofAML U.S. Treasury Bill Index
7/1/96		
1 year	3.95%	1.54%
3 years	5.24	0.82
5 years	3.39	0.52
10 years	5.90	0.40
Life of fund	6.29	—
Total expense ratio: 0.75%		

† Putnam Diversified Income Trust class A shares inception date is 10/3/88.

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. For the most recent month-end performance, please visit putnam.com. Class Y shares before their inception are derived from the historical performance of class A shares, which have not been adjusted for the lower expenses; had they, returns would have been higher. For a portion of the periods, this fund may have had expense limitations, without which returns would have been lower. Class Y shares are generally only available for corporate and institutional clients and have no initial sales charge.

Consider these risks before investing: Putnam Short Duration Income Fund is not a money market fund. The effects of inflation may erode the value of your investment over time. 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. We may have to invest the proceeds from prepaid investments, including mortgage-backed investments, in other investments with less attractive terms and yields. Bond prices may fall or fail to rise over time for several reasons, including general financial market conditions, changing market perceptions (including perceptions about the risk of default and expectations about monetary policy and interest rates), changes in government intervention in the financial markets, and factors related to a specific issuer or industry. These factors may also lead to periods of increased volatility and reduced liquidity in the fund's portfolio holdings. 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. Credit risk is generally greater for debt not backed by the full faith and credit of the U.S. government. 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. You can lose money by investing in 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. The ICE BofAML U.S. Treasury Bill — ICE BofAML 1-3 Year U.S. Corporate Linked Benchmark represents performance of the ICE BofAML U.S. Treasury Bill Index through June 1, 2018, and performance of the ICE BofAML 1-3 Year U.S. Corporate Index thereafter. You cannot invest directly in an index.

For Diversified Income Trust, these risks also apply: International investing involves currency, economic, and political risks. Emerging-market securities carry illiquidity and volatility risks. Lower-rated bonds may offer higher yields in return for more risk. You can lose money by investing in the fund.

Your clients should carefully consider the investment objectives, risks, charges, and expenses of a fund before investing. For a prospectus, or a summary prospectus if available, containing this and other information for any Putnam fund or product, call the Putnam Client Engagement Center at 1-800-354-4000. Your clients should read the prospectus carefully before investing.

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