

# PUTNAM CORE EQUITY FUND

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Portfolio Managers

## Average annual total returns and fund expenses (%)

as of March 31, 2024

Class A	3-mo	1-yr	5-yr	10-yr	Expenses	
					Gross	Net
Excluding sales charges	11.49	33.68	16.64	12.75	0.99	0.99
Including effects of maximum sales charges	5.07	25.99	15.27	12.09	0.99	0.99
Class Y	11.54	34.00	16.94	13.04	0.74	0.74
Russell 3000 Index	10.02	29.29	14.34	12.33	-	-

### Maximum initial sales charge -- Class A: 5.75%

**Performance data quoted represents past performance, which does not guarantee future results.** Current performance may be lower or higher than the figures shown. Principal value and investment returns will fluctuate, and investors' shares, when redeemed, may be worth more or less than the original cost. Performance would have been lower if fees had not been waived in various periods. Total returns assume the reinvestment of all distributions and the deduction of all fund expenses. 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. Returns for periods of less than one year are not annualized. All classes of shares may not be available to all investors or through all distribution channels. For current month-end performance, please visit [www.putnam.com](http://www.putnam.com).

Gross expenses are the fund's total annual operating expenses as of the fund's prospectus available at the time of publication. Net expenses are capped under a contractual agreement, which cannot be terminated prior to 8/30/2024 without Board consent. Actual expenses may be higher and may impact portfolio returns.

The **Russell 3000 Index** measures the performance of the 3,000 largest U.S. companies based on total market capitalization. Source: FTSE. Important data provider notices and terms available at [www.franklintempletondatasources.com](http://www.franklintempletondatasources.com). Investors cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges.

## Market review

After their worst start to a new year in two decades, U.S. stocks quickly recovered and delivered solid returns for the first quarter. The quarter brought new records for the S&P 500 Index, which closed above 5,000 for the first time. Markets were fueled in part by strong corporate earnings, led by the technology sector. Throughout the quarter, investor sentiment fluctuated around central bank policy. Anticipation of Fed rate cuts sparked rallies, while delays in potential timing for the cuts led to declines. Equities rallied following the Fed's March meeting, where it forecast three rate cuts for 2024, while also noting that inflation may remain elevated. The federal funds rate remained unchanged — in the 5.25%–5.50% range, where it has been since July 2023.

## Portfolio performance

The fund outperformed its benchmark Russell 3000 Index in the first quarter. It also outperformed for the 1-, 3-, 5-, and 10-year, and since inception periods ending 3/31/24. For the quarter, the fund outperformed in 9 of 11 sectors, due to strong security selection. Sector allocation attribution was neutral for the quarter. Active sector weights were relatively tight to the benchmark, and overall performance contribution was negligible for the quarter.

Stock selection in financials, health care, and consumer discretionary had the greatest positive impact on performance. Industrials was the only sector in which security selection detracted. The top individual contributors were overweight positions in Constellation Energy Group, NRG Energy, and Meta. Overweight positions in PG&E, Gaming & Leisure Properties, and Xcel Energy detracted from overall stock selection.

## Portfolio positioning

New positions added in the quarter were Broadcom, FedEx, and Electronic Arts. Pfizer and Texas Instruments were sold from the portfolio. The fund remains diversified across benchmark sectors, industries, and market-capitalizations.

Top 10 holdings (%)	
Microsoft	7.54
Apple	5.05
NVIDIA	4.22
Alphabet	3.45
Amazon	3.26
Meta Platforms	2.78
Eli Lilly	1.98
Berkshire Hathaway	1.94
Mastercard	1.93
Oracle	1.61

Sector allocation (%)	
Information Technology	27.0
Financials	15.0
Health Care	11.3
Consumer Discretionary	9.1
Communication Services	8.2
Industrials	6.2
Consumer Staples	5.5
Utilities	3.4
Real Estate	2.5
Materials	2.3
Cash/Other	7.3

Percentages are based on total portfolio as of quarter end and are subject to change at any time. For informational purposes only and not to be considered a recommendation to purchase or sell any security.

### Definitions and additional terms:

Please note that an investor cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges.

The **Federal Reserve Board ("Fed")** is responsible for the formulation of policies designed to promote economic growth, full employment, stable prices and a sustainable pattern of international trade and payments.

The **S&P 500® Index** is an unmanaged index of common stock performance.

The **federal funds rate** is the interest rate at which a depository institution lends funds maintained at the Federal Reserve to another depository institution overnight. Also known as the "fed funds rate."



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### What should I know before investing?

**All investments involve risks, including possible loss of principal. Small- and mid-cap stocks** involve greater risks and volatility than large-cap stocks. The **investment style** may become out of favor, which may have a negative impact on performance. **Active management** does not ensure gains or protect against market declines. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the fund's prospectus.

Diversification does not guarantee a profit or ensure against loss. It is possible to lose money in a diversified portfolio.

Putnam funds are not exchangeable for funds distributed by Franklin Distributors, LLC.

Any information, statement or opinion set forth herein is general in nature, is not directed to or based on the financial situation or needs of any particular investor, and does not constitute, and should not be construed as, investment advice, forecast of future events, a guarantee of future results, or a recommendation with respect to any particular security or investment strategy or type of retirement account. Investors seeking financial advice regarding the appropriateness of investing in any securities or investment strategies should consult their financial professional.

Portfolio holdings and sector allocations may not be representative of the portfolio manager's current or future investment and are subject to change at any time.

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