

**Objective**

The fund seeks positive total return.

**Portfolio Managers**

**Robert J. Schoen**  
(industry since 1990)

**James A. Fetch**  
(industry since 1994)

**Jason R. Vaillancourt, CFA**  
(industry since 1993)

**Morningstar category**

Multialternative

**Lipper category**

Absolute 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. **Regional Equity 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.

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.

**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.

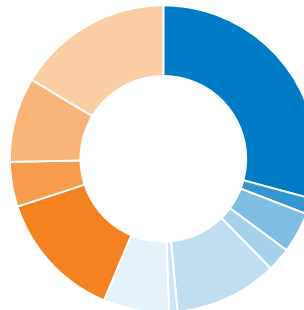
**Diversification potential**

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	43.7%
Equity	13.6
Credit	4.7
Rates	8.9
Commodities	16.4

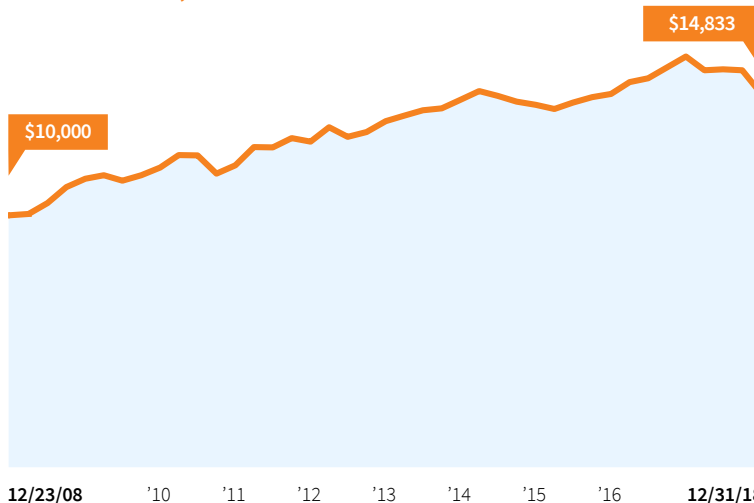


Non-directional	56.3%
Equity selection alpha	29.2
Fixed income selection alpha	1.7
Fixed income sector alpha	0.0
Regional equity long/short	4.3
Regional fixed income long/short	2.5
Commodity alpha	10.9
Currency alpha	0.9
Alternative beta	6.9

Stand-alone risk allocations as of 12/31/18.

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

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



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

12/23/08–12/31/18	
Annualized return (Y share)	4.01%
Standard deviation	4.68%
Sharpe ratio	0.77
Tracking error	4.72
Beta (BBG U.S. Aggregate Bond Index)	0.33
Beta (S&P 500 Index)	0.24

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 Y shares 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 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.

**Expense ratio**

(Y shares)

Total expense ratio  
0.83%What you pay  
0.82%

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

**Adjustable management fees**

Base fee 0.72%

Fee adjusts lower if fund underperforms (and adjusts higher if it outperforms) the Treasury Bill Index plus, five percent.

**Number of holdings**

817

**Net assets**

\$1,263.16M

**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

For informational purposes only. Not an investment recommendation.

**Annual performance at net asset value (all distributions reinvested)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Y shares	14.5%	3.8%	0.8%	7.9%	6.2%	6.2%	-1.4%	3.0%	10.1%	-9.0%
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	1.9

**Annualized total return performance**

Inception 12/23/08	Class Y shares	ICE BofAML U.S. Treasury Bill Index
1 year	-9.04%	1.88%
3 years	1.03	1.02
5 years	1.55	0.64
10 years	4.02	0.40
Life of fund	4.01	0.40

**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 Y shares 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 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](http://putnam.com).**

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 funds are not intended to outperform stocks and bonds during strong market rallies.

**Sharpe ratio** 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. **Beta** is defined as a fund's sensitivity to market movements and is used to evaluate market related, or systematic, risk. It is a historical measure of the variability of return earned by an investment portfolio. Risk statistics are measured using a 3-year regression analysis. For funds with shorter track records, Since Inception analysis is used.

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 than other bonds when interest rates decline and decline in value more than other bonds 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 including 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. 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 Absolute Return funds are 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.**