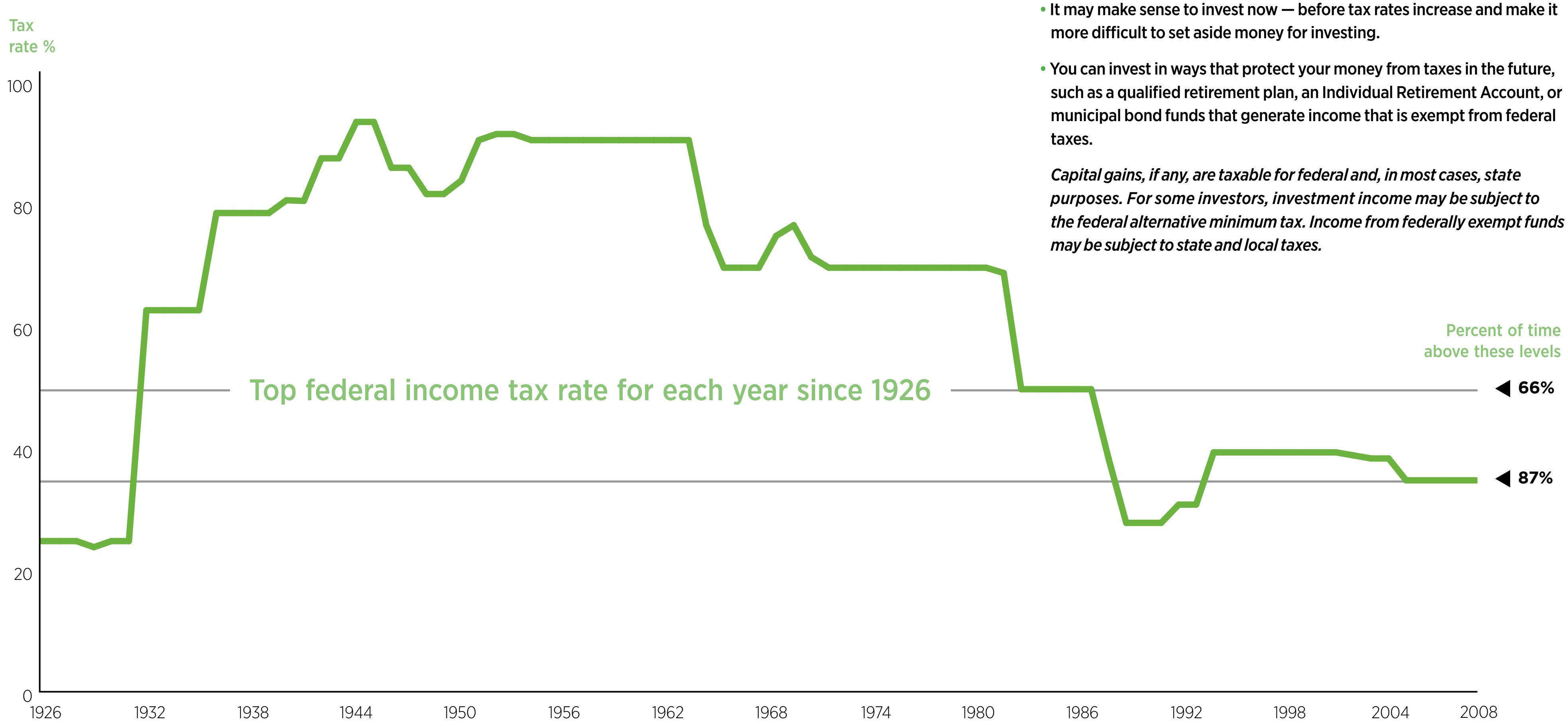
Invest while tax rates are low.

Take advantage of historically low income tax rates to invest for the future.

- Federal income tax rates are at historically low levels. In fact, over the past 83 years, tax rates have only been this low, or lower, 13% of the time.
- It may make sense to invest now — before tax rates increase and make it more difficult to set aside money for investing.
- You can invest in ways that protect your money from taxes in the future, such as a qualified retirement plan, an Individual Retirement Account, or municipal bond funds that generate income that is exempt from federal taxes.

Capital gains, if any, are taxable for federal and, in most cases, state purposes. For some investors, investment income may be subject to the federal alternative minimum tax. Income from federally exempt funds may be subject to state and local taxes.

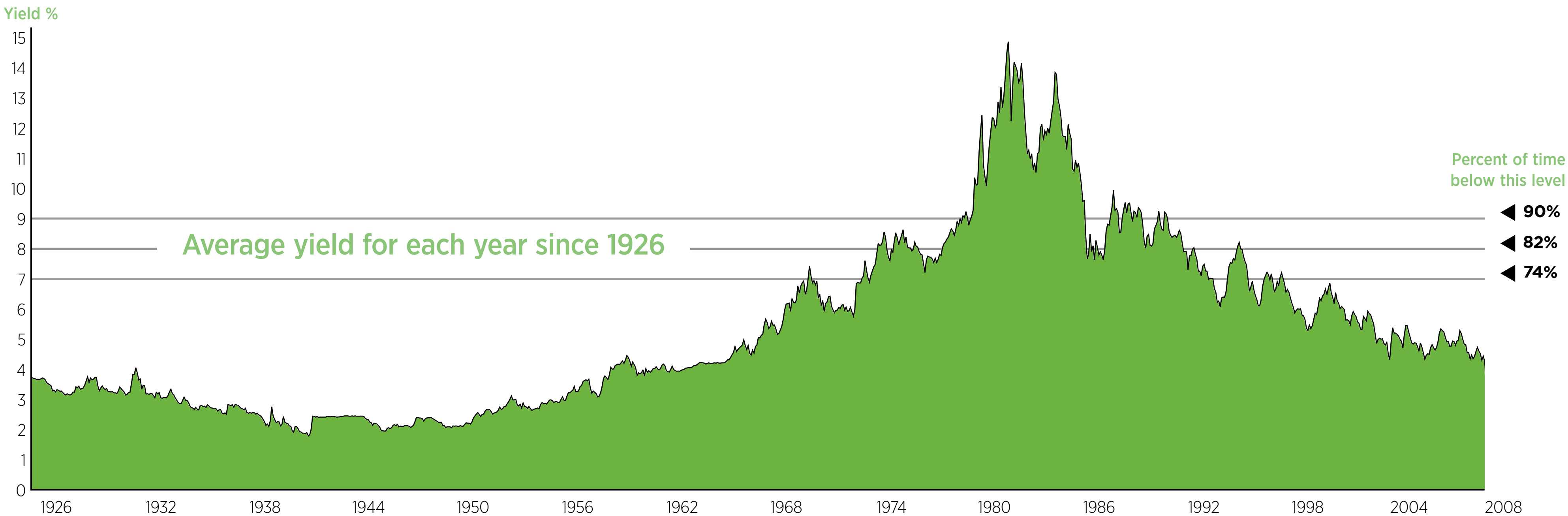


Source: Internal Revenue Service, February 2009.

A portfolio should not rely on bond yields alone.

Government bond yields have been below 8% most of the past 83 years.

- The high yields of the 1980s are not typical for U.S. government securities. In fact, over the past 83 years, yields have been below 8% for 82% of the time.
- Because yields fluctuate and we cannot predict how any investment will perform, it is important to diversify across a broad range of securities, including stocks.
- While bond investments are important for diversifying and helping to reduce volatility, combining them with stocks in a balanced portfolio may be the best way to meet long-term investment goals.



Source: Data from 1/1/1926 to 9/30/1993 is based on the yield of the Ibbotson U.S. Long-Term Government Bond Index. Data from 10/1/1993 to 12/31/08 is based on the market yield on U.S. Treasury securities at 20-year constant maturity (Federal Reserve).

Performance is historical and not indicative of future results. Performance of the Putnam funds will differ.

Mutual 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.

Request a prospectus from your financial representative or by calling Putnam at 1-800-225-1581. The prospectus includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

Putnam Retail Management

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