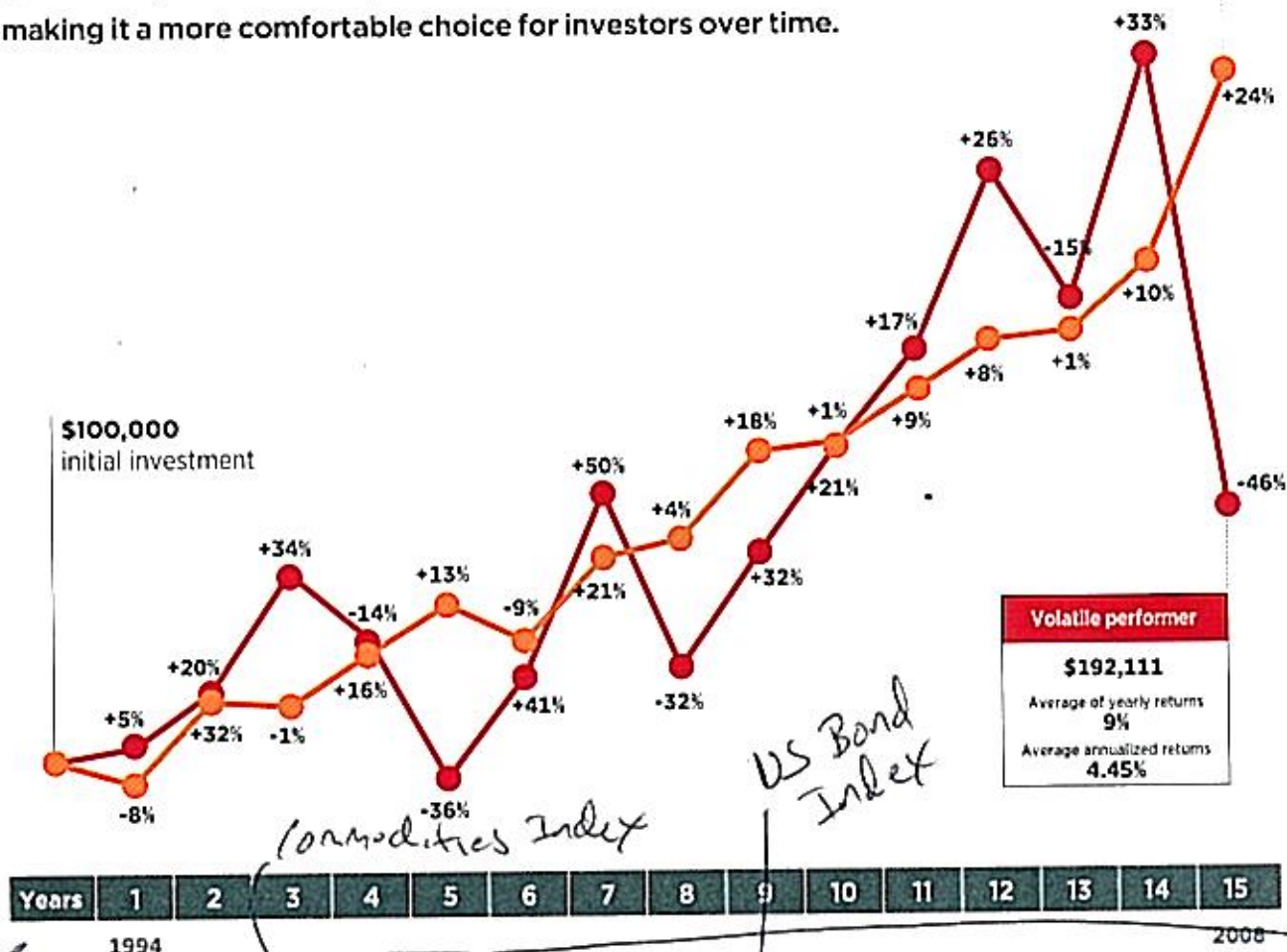


Recurring market volatility demonstrates the need for an innovative fund.

Even though the two investments in this hypothetical example had the same average yearly return of 9% over 15 years, the more consistent performer compounded returns more effectively, making it a more comfortable choice for investors over time.

Consistent performer
\$348,805
 Average of yearly returns **9%**
 Average annualized returns **8.69%**

Volatile performer
\$192,111
 Average of yearly returns **9%**
 Average annualized returns **4.45%**



The example is for illustrative purpose only and does not reflect average annualized returns or the performance of any Putnam fund, which will fluctuate. Consistent performance is illustrated by the Ibbotson U.S. Long-term Government Bond Total Return Index. Volatile performance is illustrated by the Goldman Sachs Commodities Index. You cannot invest directly in an index. Note that the reverse could be true and a more volatile investment may result in outcomes favorable to investors. Average annualized returns are compounded monthly. The average of yearly returns is not. Past performance is not indicative of future results.