

Putnam Core Equity Fund

Class Y: PMYXX Class A: PMYAX

Commentary | as of March 31, 2025

Key Takeaways

- **Markets:** US equity markets had a turbulent first quarter, and stocks, as measured by the S&P 500 Index, declined.
- **Contributors:** Stock selection in the health care, communication services, and utilities sectors.
- **Detractors:** Stock selection in industrials and underweight exposure to the energy sector.
- **Outlook:** Although there is much uncertainty from a macroeconomic perspective, we will seek to take advantage of the recent sell-off to invest in solid businesses at more attractive prices.

Performance Review

- Despite declines in the broader US equity market, the fund outperformed its benchmark, the Russell 3000 Index, for the quarter.
- Stock selection drove relative strength, with companies in the health care, communication services, and utilities sectors proving most favorable. Selections in industrials detracted, as did underweight exposure to the energy sector.
- The fund takes a diversified approach and can own US companies across market capitalizations and styles. As of quarter-end, the portfolio was most overweight in the utilities sector and most underweight in industrials and energy.

Outlook

- The current investment environment is challenging, with more unknowns than usual, in our view. The Trump administration's tariff policy remains fluid, which is creating hesitation for company managements and investors.
- Although there is much uncertainty from a macroeconomic perspective, we are comfortable with the quality of companies in our portfolio, their management teams, balance sheets, and earnings power. There may be exceptions, and we will remain vigilant in recognizing them and shifting positions as needed.
- On the positive side, artificial intelligence spending is still growing nicely and creating adjacent demand in the energy complex. The software application business is likely to follow, with many new AI applications to improve efficiency.
- We believe investment opportunities are expanding, and will seek to take advantage of the recent sell-off to invest in solid businesses at more attractive prices.
- Top new positions during the quarter included JPMorgan Chase (financials) and Charter Communications (communication services).
- Eliminated positions included Phillips 66 (energy), GEN Restaurant Group (consumer discretionary), and Atlas Energy Solutions (energy).

Morningstar Rating™

Overall Rating as of March 31, 2025

★★★★★ (5-Star) Class Y
★★★★ (4-Star) Class A

As of 03/31/2025 the fund's Class Y shares received a 5 star and Class A shares received a 4 star overall Morningstar rating™, measuring risk-adjusted returns against 1272, 1169 and 889 Large Blend funds over the 3-, 5- and 10- year periods, respectively. A fund's overall rating is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year (if applicable) rating metrics.

Top Equity Issuers (% of Total)

Holding	Fund
Apple	5.93
Microsoft	5.41
NVIDIA	4.69
Amazon	3.38
Alphabet	3.13
Meta	2.83
Berkshire Hathaway	2.34
Mastercard	2.06
JPMorgan Chase	1.49
Broadcom	1.45

Sector Allocation (% of Total)

Sector	Fund
Information Technology	25.09
Financials	17.27
Consumer Discretionary	10.56
Health Care	10.23
Communication Services	8.84
Industrials	6.45
Consumer Staples	6.18
Other	10.06
Cash & Other Net Assets	5.32

Average annual total returns and fund expenses (%)

Class	CUSIP	Ticker	Without Sales Charge							With Maximum Sales Charge							Expenses		Sales Charges		Inception Date
			3-Mo	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Inception	3-Mo	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Inception	Gross	Net	Initial Charge	CDSC	
Class Y	74676P839	PMYXX	-4.79	-4.79	7.96	10.32	20.91	12.59	14.85	-4.79	-4.79	7.96	10.32	20.91	12.59	14.85	0.73	0.73	—	—	9/24/2010
Class A	74676P888	PMYAX	-4.83	-4.83	7.69	10.05	20.61	12.31	14.57	-10.30	-10.30	1.49	7.90	19.19	11.65	14.10	0.98	0.98	5.75	1.00	9/24/2010
Benchmark	—	—	-4.72	-4.72	7.22	8.22	18.18	11.80	—	-4.72	-4.72	7.22	8.22	18.18	11.80	—	—	—	—	—	—

Benchmark(s)

Benchmark =Russell 3000 Index

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. Returns with sales charge reflect a deduction of the stated maximum sales charge. An investor cannot invest directly in an index, and unmanaged index returns do not reflect any fees, expenses or sales charges. 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 franklintempleton.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 08/30/2025 without Board consent. Actual expenses may be higher and may impact portfolio returns.

What are the Risks?

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. **International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets**. **Derivative instruments** can be illiquid, may disproportionately increase losses, and have a potentially large impact on performance. 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.

Glossary

The **S&P 500 Index** features 500 leading U.S. publicly traded companies, with a primary emphasis on market capitalization. Source: © S&P Dow Jones Indices LLC. All rights reserved.

Important Information

The information provided is not a complete analysis of every material fact regarding any country, market, industry, security or fund. Because market and economic conditions are subject to change, comments, opinions and analyses are rendered as of the date of this material and may change without notice. A portfolio manager's assessment of a particular security, investment or strategy is not intended as individual investment advice or a recommendation or solicitation to buy, sell or hold any security or to adopt any investment strategy; it is intended only to provide insight into the fund's portfolio selection process. Holdings are subject to change.

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. All data is subject to change.

Morningstar Rating™: Source: Morningstar®, 03/31/2025. For each mutual fund and ETF with at least a 3-year history, Morningstar calculates a Morningstar Rating™ based on how a fund ranks on a Morningstar Risk-Adjusted Return measure against other funds in the same category. This measure takes into account variations in a fund's monthly performance, and does not take into account the effects of sales charges and loads, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The weights are: 100% 3-year rating for 36-59 months of total returns, 60% 5-year rating/40% 3-year rating for 60-119 months of total returns, and 50% 10-year rating/30% 5-year rating/20% 3-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent 3-year period actually has the greatest impact because it is included in all three rating periods. The fund's Class Y shares received a Morningstar Rating of 5, 5 and 4 and fund's Class A shares received a Morningstar Rating of 4, 5 and 4 star(s) for the 3-, 5- and 10-year periods, respectively. Franklin Templeton provides this fund's Morningstar Rating™ for Class Y and Class A shares only. Other share classes may have different Morningstar ratings.

Putnam funds are not exchangeable for other funds distributed by Franklin Distributors, LLC. Prior to August 2, 2024, Putnam Retail Management, LP served as distributor of Putnam funds and services.

© 2024 Franklin Templeton. Distributed by Putnam Retail Management, LP. Member FINRA/SIPC.

Before investing, carefully consider a fund's investment objectives, risks, charges and expenses. You can find this and other information in each prospectus, or summary prospectus, if available, at www.franklintempleton.com. Please read it carefully.