

Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

PUTNAM PREMIER INCOME TRUST

Form N-CSR

March 29, 2005

Putnam  
Premier  
Income  
Trust

Item 1. Report to Stockholders:

-----  
The following is a copy of the report transmitted to stockholders pursuant to Rule 30e-1 under the Investment Company Act of 1940:

SEMIANNUAL REPORT ON PERFORMANCE AND OUTLOOK

1-31-05

[GRAPHIC OMITTED: WATCH]

[SCALE LOGO OMITTED]

From the Trustees

[GRAPHIC OMITTED: PHOTO OF JOHN A. HILL AND GEORGE PUTNAM, III]

John A. Hill and  
George Putnam, III

Dear Fellow Shareholder:

During the past several months, Putnam has introduced a number of reforms for the benefit of shareholders, including increasing the amount of disclosure for our funds. We are now including additional disclosure about your fund's management team. Following the Outlook for Your Fund, we provide manager compensation information that pertains to your fund and list any changes in your fund's Portfolio Leader and Portfolio Members during the prior year period, as well as these individuals' other fund management responsibilities at Putnam. We also show how much these individuals have invested in the fund (in dollar ranges), and fund ownership (in dollar ranges) is also shown for the members of Putnam's Executive Board. Finally, on page 13, we provide certain information about the most recent approval of your fund's management contract with Putnam by the Trustees.

We are also pleased to announce that three new Trustees have joined your fund's Board of Trustees. Nominated by your fund's independent Trustees, these individuals have had outstanding careers as leaders in the investment management industry. Myra R. Drucker is a Vice Chair of the Board of Trustees of Sarah Lawrence College and serves as ex-officio member and past Chair of the New York Stock Exchange (NYSE) Pension Managers Advisory Committee and as a Trustee of Commonfund, a not-for-profit asset management firm. Richard B. Worley is Managing Partner of Permit Capital LLC, an investment management firm. Both Ms. Drucker and Mr. Worley are independent Trustees (i.e., Trustees who are not "interested persons" of your fund or its investment advisor). Charles E. Haldeman, Jr., the third new Trustee, is President and Chief Executive Officer of Putnam Investments. We also announce the departure of one of your fund's Trustees, A.J.C. Smith, formerly Chairman of Putnam Investments and Consultant to Marsh & McLennan Companies, Inc.

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

Finally, we would like to welcome shareholders of Putnam Master Income Trust, a multi-sector fixed-income fund with a similar objective and strategy as your fund, who have become shareholders of this fund as a result of a recently completed merger between the two funds.

In the following pages, your fund's management team discusses performance, strategy, and its outlook for the remainder of fiscal 2005.

Respectfully yours,

/S/ JOHN A. HILL

/S/ GEORGE PUTNAM, III

John A. Hill  
Chairman of the Trustees

George Putnam, III  
President of the Funds

March 16, 2005

Report from Fund Management

Fund highlights

- \* During the semiannual period ended January 31, 2005, Putnam Premier Income Trust had a total return at net asset value (NAV) of 7.43%. The fund's return at market price was 9.53%.
- \* The fund's primary benchmark, the Lehman Government Bond Index, returned 3.30% for the same period.
- \* The average return for the fund's Lipper category, Flexible Income Funds (closed-end), was 8.25%.
- \* After the end of the period, Putnam Master Income Trust was merged into your fund. See page 5 for details.
- \* See the Performance Summary beginning on page 10 for additional fund performance, comparative performance, and Lipper data.

Performance commentary

During the past six months, shorter-maturity bond yields have risen as the U.S. Federal Reserve Board (the Fed) has continued its gradual series of interest-rate increases. Meanwhile, yields on longer-term bonds declined somewhat, responding to generally moderate global inflation. Longer-maturity bond performance was also bolstered by increased demand from pension funds. The fund's high-yield and emerging-market bonds performed well, enabling the fund to outperform its benchmark by a significant margin although results at NAV lagged the average for the fund's Lipper category. It is important to note that a fund's performance at market price may differ from its results at NAV. Although market price performance generally reflects investment results, it may also be influenced by several other factors, including changes in investor perceptions of the fund or its investment advisor, market conditions, fluctuations in supply and demand for the fund's shares, and changes in fund distributions.

-----  
TOTAL RETURN FOR  
PERIODS ENDED 1/31/05  
-----

Market

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

| (inception 2/29/88)              | NAV    | Price  |
|----------------------------------|--------|--------|
| 6 months                         | 7.43%  | 9.53%  |
| 1 year                           | 8.48   | 6.47   |
| 5 years                          | 51.16  | 68.91  |
| Annual average                   | 8.61   | 11.05  |
| 10 years                         | 118.62 | 121.70 |
| Annual average                   | 8.14   | 8.29   |
| Annual average<br>(life of fund) | 8.55   | 7.50   |

Data is historical. Past performance does not guarantee future results. More recent returns may be less or more than those shown. Investment return, net asset value, and market price will fluctuate and you may have a gain or a loss when you sell your shares. Performance assumes reinvestment of distributions and does not account for taxes.

### FUND PROFILE

Putnam Premier Income Trust is designed for investors seeking a high level of current income. The fund maintains flexibility across three sectors -- U.S. government and agencies, high-yield corporate, and international -- to seek maximum current income without undue risk to capital. The fund may be appropriate for investors seeking a higher level of income who can accept a moderately higher level of risk.

### Market overview

Global bond markets have enjoyed a favorable set of circumstances during the past six months. Most sectors have produced positive returns, with riskier sectors -- including corporate high-yield bonds and emerging-market bonds -- continuing to outperform the higher-quality investment-grade corporate, government, and agency sectors. While short-term interest rates generally rose during the period, following the Fed's lead, the Fed's clear communication of its tightening policy and its measured pace of rate increases resulted in no surprises. This clarity was beneficial for longer-term bondholders, who remained focused on economic data. Consequently, while the federal funds rate rose from 1.00% in June 2004 to 2.50% on February 2, 2005 (just after the end of the reporting period), long-term rates moved downward, as low inflation and stable economic conditions helped investors remain generally positive. The rise in short rates and decline in long rates therefore caused a narrowing in the spread between the two, causing the yield curve -- a graphical depiction of all bond yields -- to flatten.

Although turmoil continued in Iraq and the Middle East, other uncertainties that have preoccupied investors -- including fears of terrorism and the close U.S. presidential election -- have lessened. Generally positive economic conditions, low interest rates on high-quality bonds, and a weak dollar drew investors into riskier bond sectors that provided higher income levels. As a result, high-yield corporate bonds and emerging-market securities outperformed. In the high-yield sector, default rates continued to decline, and, combined with positive global economic growth, attracted investors and resulted in strong demand for these securities. Emerging markets generally

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

benefited from high energy and commodities prices, solid economic growth, and an overall reduction of perceived risk. The weak dollar also helped bolster returns in emerging-market securities for U.S. investors.

---

### MARKET SECTOR PERFORMANCE 6 MONTHS ENDED 1/31/05

---

#### Bonds

|   |        |
|---|--------|
| Lehman Government Bond Index (U.S. Treasury and agency securities)                      | 3.30%  |
| Citigroup Non-U.S. World Government Bond Index (international government bonds)         | 13.07% |
| JP Morgan Global High Yield Index (global high-yield corporate bonds)                   | 7.72%  |
| JP Morgan Global Diversified Emerging Markets Bond Index (global emerging-market bonds) | 11.03% |

#### Equities

|   |        |
|---|--------|
| S&P 500 Index (broad stock market)        | 8.16%  |
| MSCI EAFE Index (international stocks)    | 16.68% |
| Russell 2000 Index (small-company stocks) | 13.88% |

These indexes provide an overview of performance in different market sectors for the six months ended 1/31/05.

---

#### Strategy overview

While the fund's emerging-market and high-yield corporate bond holdings provided the strongest performance, we had begun trimming these positions before the period began and reduced these weightings further during the period. These sectors have seen such strong performance over the past few years that we believed they were no longer attractively valued. Moreover, although global economic growth continued at a solid pace, it has slowed from prior years.

Within the high-yield corporate sector, we upgraded credit quality by selling CCC-rated and B-rated bonds and buying bonds with BB-ratings. We used the proceeds of the sales to increase the fund's weighting in mortgage-backed securities (MBSs), asset-backed securities (ABSs), and commercial mortgage-backed securities (CMBSs), all of which had solid returns during the period. These securities are generally high in credit quality and have shorter maturities, or durations, meaning that they are likely to be less sensitive to an increase in interest rates. Moreover, their shorter maturities give us the flexibility to reinvest more frequently, which would be beneficial if interest rates were to rise. We found CMBSs particularly attractive because they offered higher yields than corporate bonds of roughly the same credit quality.

We increased the fund's position in bank loans during the period. These securities offer a higher level of credit quality than high-yield bonds. In addition, they offer floating interest rates that, like an adjustable home mortgage, move with market rates and therefore can provide protection of principal from interest-rate risk.

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

[GRAPHIC OMITTED: horizontal bar chart TOP SECTOR WEIGHTINGS COMPARED]

### TOP SECTOR WEIGHTINGS COMPARED

|                       | as of 7/31/04 | as of 1/31/05 |
|-----------------------|---------------|---------------|
| High yield            | 40.9%         | 42.1%         |
| U.S. investment grade | 39.1%         | 40.9%         |
| International         | 20.0%         | 17.0%         |

#### Footnote reads:

This chart shows how the fund's top weightings have changed over the last six months. Weightings are shown as a percentage of net assets. Holdings will vary over time.

### How fund holdings and sectors affected performance

As already mentioned, we reduced the fund's exposure to corporate high-yield bonds and increased its allocation to mortgage-backed securities (MBSs), asset-backed securities (ABSs), and commercial mortgage-backed securities (CMBSs). Within the MBS group, we acquired high-coupon GNMA (Government National Mortgage Association) securities, which were less likely to be prepaid and therefore performed well. The fund also owned reperforming GNMA, which are traditional MBSs in which the borrowers have become delinquent in making payments for a period of time. As a result, these securities are less likely to be refinanced than other types of MBSs. We believed the reperforming GNMA did not represent a major credit risk, and the fund benefited from the higher income that they produced.

The fund's CMBS holdings performed well, as investors were attracted to their combination of relatively high income and strong credit quality. These securities are backed both by the issuers that pool the securities and the individual corporations issuing the mortgages. Given the relative strength of the economic recovery over the past few years, this credit quality has generally been strong.

[GRAPHIC OMITTED: TOP HOLDINGS]

#### TOP HOLDINGS

(Percent of fund's net assets as of 1/31/05)

#### High-yield sector

- 1 AT&T Corp (0.7%)  
Sr. notes 9 3/4%, 2031
- 2 Consec Finance Securitizations Corp.  
(0.4%)  
Ser. 01-3, Class A4, 6.91%, 2033
- 3 Consec Finance Securitizations Corp.  
(0.4%)  
Ser. 00-4, Class A6, 8.31s, 2032

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

### International sector

- 1 France (Government of) (1.2%)  
Bonds 4%, 2013
- 2 Germany (Federal Republic of) (1.0%)  
Bonds Ser. 97, 6%, 2007
- 3 Russia (Federation of) (0.9%)  
144A unsub. Stepped-coupon 5%  
(7 1/2%, 3/31/07), 2030

### U.S. investment-grade sector

- 1 Federal Home Loan Mortgage Corporation (4.2%)  
6 1/2%, with due dates from July 1, 2028 to September 1, 2034
- 2 U.S. Government Treasury Bonds (4.0%)  
6 1/4%, May 15, 2030
- 3 Federal National Mortgage Association Pass-Through Certificates (3.2%)  
4 1/2%, TBA, February 1, 2020

The fund's holdings will change over time.

The fund's international government bond holdings, including bonds from the United Kingdom, Germany, France, and Canada, performed well, responding to solid economic growth and declining longer-term interest rates. The fund's European government holdings were also bolstered by the currency effect of the weak dollar.

Although the fund's emerging-market weighting had been reduced prior to the beginning of the period, we continued to pare back these holdings during their strong performance of the past six months. These securities have performed well over the past several years as a result of strong growth in many emerging-market countries, due to gains in manufacturing and exports to other rapidly growing countries, as well as exports of metals, oil, and natural gas, all of which have risen significantly in price. Bonds from Russia, Colombia, and Brazil delivered particularly strong performance.

Finally, with over 10% of the fund's assets invested in foreign bonds, currency appreciation due to the decline in the dollar versus other major currencies -- especially the euro -- made a significant and positive contribution to returns.

Please note that all holdings discussed in this report are subject to review in accordance with the fund's investment strategy and may vary in the future.

### OF SPECIAL INTEREST

Merger with Putnam Master Income Trust completed

During the period, shareholders of Putnam Master Income Trust and Putnam Premier Income Trust approved a merger of Putnam Master Income Trust into Putnam Premier Income Trust, and the merger was recently completed on February 28, 2005. Putnam Master Income Trust is a closed-end,

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

multi-sector fixed-income fund whose objectives, strategy, and investments are substantially similar to those of your fund. The merger, which occurred on February 25, 2005, should result in lower expenses for shareholders of each fund due to the larger asset base of the combined fund.

The outlook for your fund

The following commentary reflects anticipated developments that could affect your fund over the next six months, as well as your management team's plans for responding to them.

The past two years have seen strong returns in the emerging and high-yield corporate bond markets, reflecting a global economic recovery. We continue to believe, as we did six months ago, that certain headwinds could have a negative impact on the performance of lower-quality bond sectors. First, the current high level of energy prices may act as a tax and reduce both consumer and corporate spending. And second, higher short-term interest rates and lower long-term interest rates have resulted in a flattening of the yield curve, which represents yields on bonds of all maturities. This flattening has reduced the incentive for investors to take more risk by buying longer-maturity bonds. Similarly, the narrowing of the credit yield spread -- the difference in yield between lower- and higher-quality bonds -- has also reduced the incentive for investors to take on greater credit risk because lower-quality bonds are not paying as high an interest rate as they did a year or two ago.

On the positive side, inflation remains low and there do not appear to be any imminent threats to the stability of the global economy, which is still growing at a solid, positive rate. Nevertheless, we have positioned the fund to have a shorter average maturity and shorter duration -- or lower interest-rate sensitivity -- and we have generally improved the overall credit quality in the portfolio. We believe these are prudent measures given the current state of the global economy and bond markets.

The views expressed in this report are exclusively those of Putnam Management. They are not meant as investment advice. International investing involves certain risks, such as currency fluctuations, economic instability, and political developments. Additional risks may be associated with emerging-market securities, including illiquidity and volatility. 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. Lower-rated bonds may offer higher yields in return for more risk. Mutual funds that invest in government securities are not guaranteed. Mortgage-backed securities are subject to prepayment risk.

Your fund's management

Your fund is managed by the members of the Putnam Core Fixed-Income and Core Fixed-Income High-Yield teams. D. William Kohli is the Portfolio Leader, and Rob Bloemker, Jeffrey Kaufman, Stephen Peacher, and David Waldman are Portfolio Members of your fund. The Portfolio Leader and

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

Portfolio Members coordinate the teams' management of the fund.

For a complete listing of the members of the Putnam Core Fixed-Income and Core Fixed-Income High-Yield teams, including those who are not Portfolio Leaders or Portfolio Members of your fund, visit Putnam's Individual Investor Web site at [www.putnaminvestments.com](http://www.putnaminvestments.com).

### Fund ownership

The table below shows how much the fund's current Portfolio Leader and Portfolio Members have invested in the fund (in dollar ranges). Information shown is for the current and prior year ended January 31.

---

#### FUND PORTFOLIO LEADER AND PORTFOLIO MEMBERS

---

|                  |      |   | \$1 -<br>\$10,000 | \$10,001 -<br>\$50,000 | \$50,001 -<br>\$100,000 | \$100,001 -<br>\$500,000 | \$500,001<br>-\$1,000,000 |
|------------------|------|---|-------------------|------------------------|-------------------------|--------------------------|---------------------------|
| D. William Kohli | 2005 | * |                   |                        |                         |                          |                           |
| Portfolio Leader | 2004 | * |                   |                        |                         |                          |                           |
| Rob Bloemker     | N/A  |   |                   |                        |                         |                          |                           |
| Portfolio Member | N/A  |   |                   |                        |                         |                          |                           |
| Jeffrey Kaufman  | N/A  |   |                   |                        |                         |                          |                           |
| Portfolio Member | N/A  |   |                   |                        |                         |                          |                           |
| Stephen Peacher  | N/A  |   |                   |                        |                         |                          |                           |
| Portfolio Member | N/A  |   |                   |                        |                         |                          |                           |
| David Waldman    | 2005 | * |                   |                        |                         |                          |                           |
| Portfolio Member | 2005 | * |                   |                        |                         |                          |                           |

---

N/A indicates that the individual became a Portfolio Member after the reporting date.

### Fund manager compensation

The total 2004 fund manager compensation that is attributable to your fund is approximately \$800,000. This amount includes a portion of 2004 compensation paid by Putnam Management to the fund managers listed in this section for their portfolio management responsibilities, calculated based on the fund assets they manage as a percentage of the total assets they manage. The compensation amount also includes a portion of the 2004 compensation paid to the Chief Investment Officers of the teams and the Group Chief Investment Officer responsible for the fund's broader investment category for their oversight responsibilities, calculated



## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

based on the fund assets they oversee taken as a percentage of the total assets they oversee. These percentages are determined as of the fund's fiscal period-end. For personnel who joined Putnam Management during or after 2004, the calculation reflects annualized 2004 compensation or an estimate of 2005 compensation, as applicable.

Other Putnam funds managed by  
the Portfolio Leader and Portfolio Members

D. William Kohli is also a Portfolio Leader of Putnam Diversified Income Trust and Putnam Master Intermediate Income Trust, and a Portfolio Member of Putnam Global Income Trust.

Rob Bloemker is also a Portfolio Member of Putnam American Government Income Fund, Putnam Diversified Income Trust, Putnam Income Fund, Putnam Limited Duration Government Income Fund, Putnam Master Intermediate Income Trust, and Putnam U.S. Government Income Trust.

Jeffrey Kaufman is also a Portfolio Member of Putnam Diversified Income Trust and Putnam Master Intermediate Income Trust.

Stephen Peacher is also a Portfolio Leader of Putnam Floating Rate Income Fund, Putnam High Yield Advantage Fund, Putnam High Yield Trust, and Putnam Managed High Yield Trust. He is also a Portfolio Member of Putnam Diversified Income Trust and Putnam Master Intermediate Income Trust.

David Waldman is also a Portfolio Member of Putnam Diversified Income Trust and Putnam Master Intermediate Income Trust.

D. William Kohli, Rob Bloemker, Jeffrey Kaufman, Stephen Peacher, and David Waldman may also manage other accounts and variable trust funds advised by Putnam Management or an affiliate.

### Changes in your fund's Portfolio Leader and Portfolio Members

Your fund's Portfolio Leader and Portfolio Members did not change during the year ended January 31, 2005. After the close of the period, Rob Bloemker, Jeffrey Kaufman, and Stephen Peacher became Portfolio Members of your fund.

### Fund ownership

The table below shows how much the members of Putnam's Executive Board have invested in the fund (in dollar ranges). Information shown is for the current and prior year ended January 31.

---

#### PUTNAM EXECUTIVE BOARD

---

|                          | Year | \$0 | \$1 -<br>\$10,000 | \$10,001 -<br>\$50,000 | \$50,001-<br>\$100,000 | \$100,<br>and o |
|--------------------------|------|-----|-------------------|------------------------|------------------------|-----------------|
| Philippe Bibi            | 2005 | *   |                   |                        |                        |                 |
| Chief Technology Officer | 2004 | *   |                   |                        |                        |                 |

Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|                                   |      |   |
|-----------------------------------|------|---|
| John Boneparth                    | 2005 | * |
| Head of Global Institutional Mgmt | 2004 | * |
| Joshua Brooks                     | N/A  |   |
| Deputy Head of Investments        | N/A  |   |
| Kevin Cronin                      | 2005 | * |
| Head of Investments               | N/A  |   |
| Charles Haldeman, Jr.             | 2005 | * |
| President and CEO                 | 2004 | * |
| Amrit Kanwal                      | 2005 | * |
| Chief Financial Officer           | N/A  |   |
| Steven Krichmar                   | 2005 | * |
| Chief of Operations               | N/A  |   |
| Francis McNamara, III             | 2005 | * |
| General Counsel                   | N/A  |   |
| Richard Monaghan                  | 2005 | * |
| Head of Retail Management         | 2004 | * |
| Richard Robie, III                | 2005 | * |
| Chief Administrative Officer      | N/A  |   |
| Edward Shadek                     | N/A  |   |
| Deputy Head of Investments        | N/A  |   |

N/A indicates the individual joined Putnam's Executive Board after the reporting date.

Performance summary

This section shows your fund's performance during the first half of its fiscal year, which ended January 31, 2005. In accordance with regulatory requirements, we also include performance for the most current calendar quarter-end. Performance should always be considered in light of a fund's investment strategy. Data represents past performance. Past performance does not guarantee future results. More recent returns may be less or more than those shown. Investment return, net asset value, and market price will fluctuate and you may have a gain or a loss when you sell your shares.

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

TOTAL RETURN FOR PERIODS ENDED 1/31/05

|   | NAV    | Market price |
|---|--------|--------------|
| 6 months  | 7.43%  | 9.53%        |
| 1 year  | 8.48   | 6.47         |
| 5 years   | 51.16  | 68.91        |
| Annual average                                    | 8.61   | 11.05        |
| 10 years  | 118.62 | 121.70       |
| Annual average                                    | 8.14   | 8.29         |
| Annual average<br>Life of fund<br>(since 2/29/88) | 8.55   | 7.50         |

Performance assumes reinvestment of distributions and does not account for taxes.

COMPARATIVE INDEX RETURNS FOR PERIODS ENDED 1/31/05

|   | Lehman<br>Government<br>Bond<br>Index | Citigroup<br>Non-U.S.<br>World<br>Government<br>Bond Index | JP Morgan<br>Global<br>High Yield<br>Index* | Lipper<br>Income<br>(clo<br>cate<br>aver |
|---|---------------------------------------|--|---|--|
| 6 months  | 3.30%                                 | 13.07%   | 7.72%                                       | 8.25                                     |
| 1 year  | 3.27                                  | 9.85   | 9.55  | 8.39                                     |
| 5 years   | 44.10                                 | 53.99  | 44.87                                       | 43.18                                    |
| Annual average                                    | 7.58                                  | 9.02   | 7.70  | 7.28                                     |
| 10 years  | 102.78                                | 94.70  | 125.81                                      | 121.05                                   |
| Annual average                                    | 7.33                                  | 6.89   | 8.49  | 8.07                                     |
| Annual average<br>Life of fund<br>(since 2/29/88) | 7.65                                  | 7.64   | --  | 8.33                                     |

Index and Lipper results should be compared to fund performance at net asset value. Lipper calculations for reinvested dividends may differ from actual performance.

\* The inception date of the JP Morgan Global High Yield Index was 12/31/93.

+ Over the 6-month and 1-, 5-, and 10-year periods ended 1/31/05, there were 10 funds in this Lipper category.

Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

-----  
PRICE AND DISTRIBUTION INFORMATION 6 MONTHS ENDED 1/31/05  
-----

Putnam Premier Income Trust  
-----

|                                |         |              |
|--------------------------------|---------|--------------|
| Distributions (number)         | 6       |              |
| Income                         | \$0.234 |              |
| Capital gains                  | --      |              |
| Total                          | \$0.234 |              |
| Share value:                   | NAV     | Market price |
| 7/31/04                        | \$7.03  | \$6.29       |
| 1/31/05                        | 7.29    | 6.65         |
| Current return (end of period) |         |              |
| Current dividend rate 1        | 6.42%   | 7.04%        |

-----  
1 Most recent distribution, excluding capital gains, annualized and divided by NAV or market price at end of period.  
-----

-----  
TOTAL RETURN FOR PERIODS ENDED 12/31/04 (MOST RECENT CALENDAR QUARTER)  
-----

|   | NAV    | Market price |
|---|--------|--------------|
| 6 months  | 8.07%  | 12.52%       |
| 1 year  | 9.84   | 7.27         |
| 5 years   | 49.36  | 65.88        |
| Annual average                                    | 8.35   | 10.65        |
| 10 years  | 119.31 | 127.75       |
| Annual average                                    | 8.17   | 8.58         |
| Annual average<br>Life of fund<br>(since 2/29/88) | 8.56   | 7.43         |

-----  
Terms and definitions  
-----

Total return shows how the value of the fund's shares changed over time, assuming you held the shares through the entire period and reinvested all distributions in the fund.

Net asset value (NAV) is the value of all your fund's assets, minus any liabilities, divided by the number of outstanding shares.

Market price is the current trading price of one share of the fund. Market prices are set by transactions between buyers and sellers on

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

exchanges such as the American Stock Exchange and the New York Stock Exchange.

### Comparative indexes

Citigroup Non-U.S. World Government Bond Index is an unmanaged index of global investment-grade fixed-income securities, excluding the United States.

JP Morgan Global Diversified Emerging Markets Bond Index is an unmanaged index of global emerging-market fixed-income securities.

JP Morgan Global High Yield Index is an unmanaged index of global high-yield fixed-income securities.

Lehman Government Bond Index is an unmanaged index of U.S. Treasury and agency securities.

Morgan Stanley Capital International (MSCI) EAFE Index is an unmanaged index of equity securities from developed countries in Western Europe, the Far East, and Australasia.

Russell 2000 Index is an unmanaged index of the 2,000 smallest companies in the Russell 3000 Index.

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

Indexes assume reinvestment of all distributions and do not account for fees. Securities and performance of a fund and an index will differ. You cannot invest directly in an index.

Lipper is a third-party industry ranking entity that ranks funds (without sales charges) with similar current investment styles or objectives as determined by Lipper. Lipper category averages reflect performance trends for funds within a category and are based on results at net asset value.

Trustee approval of  
management contract

### General conclusions

The Board of Trustees of the Putnam funds oversees the management of each fund and, as required by law, determines annually whether to approve the continuance of each fund's management contract with Putnam Management. In this regard the Board of Trustees, with the assistance of its Contract Committee consisting solely of Independent Trustees, requests and evaluates all information it deems reasonably necessary in the circumstances. Over the course of several months beginning in March and ending in June of 2004, the Contract Committee reviewed the information provided by Putnam Management and other information developed with the assistance of the Board's independent counsel and independent staff. The Contract Committee reviewed and discussed key aspects of this information with all of the Independent Trustees. Upon completion of this review, the Contract Committee recommended and the Independent Trustees approved the continuance of your fund's contract, effective July 1, 2004.

This approval was based on the following conclusions:

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

- \* That the fee schedule currently in effect for your fund represents reasonable compensation in light of the nature and quality of the services being provided to the fund, the fees paid by competitive funds and the costs incurred by Putnam Management in providing such service, and
- \* That such fee schedule represents an appropriate sharing between fund shareholders and Putnam Management of such economies of scale as may exist in the management of the fund at current asset levels.

These conclusions were based on a comprehensive consideration of all information provided to the Trustees and were not the result of any single factor. Some of the factors that figured particularly in the Trustees' deliberations are described below.

### Model fee schedules and categories; total expenses

The Trustees, working in cooperation with Putnam Management, have developed and implemented a series of model fee schedules for the Putnam funds designed to ensure that each fund's management fee is consistent with the fees for similar funds in the Putnam complex and compares favorably with fees paid by competitive funds sponsored by other advisors. The Trustees reviewed the model fee schedule currently in effect for the fund, including fee levels and breakpoints, and the assignment of the fund to a particular fee category under this structure. The Trustees also reviewed comparative fee and expense information for competitive funds. The Trustees concluded that no changes should be made in the fund's current fee schedule at this time. The Trustees noted that expense ratios for a number of Putnam funds had been increasing recently as a result of declining net assets and the natural operation of fee breakpoints. They noted that such expense ratio increases were currently being controlled by expense limitations implemented in January 2004. They also noted that the competitive landscape regarding mutual fund fees may be changing as a result of fee reductions accepted by various other fund groups in connection with recent regulatory settlements and greater focus on fees and expenses in the mutual fund industry generally. The Trustees indicated an intention to monitor these developments closely.

### Economies of scale

As noted above, the Trustees concluded that the fee schedule currently in effect for your fund represents an appropriate sharing of economies of scale at current asset levels. The Trustees indicated their intention to continue their ongoing consideration of economies of scale and in particular to consider further the possible operation of such economies in the event that a significant recovery in the equity markets or net fund sales were to raise asset levels substantially above current levels. In this regard, the Trustees noted that they had reviewed data relating to the substantial increase in asset levels of the Putnam funds that occurred during the years leading up to the market peak in 2000, the subsequent decline in assets and the resulting impact on revenues and expenses of Putnam Management. The Trustees also noted that recent declines in net assets in many Putnam funds, together with significant changes in the cost structure of Putnam Management have altered the economics of Putnam Management's business in significant ways. The Trustees concluded that they would monitor these changes carefully and evaluate the resulting impact on Putnam Management's economics and the sharing of economies of scale between the parties.

### Investment performance

The quality of the investment process provided by Putnam Management

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

represented a major factor in the Trustees' evaluation of the quality of services provided by Putnam Management under the Management Contracts. The Trustees recognized that a high quality investment process -- as measured by the experience and skills of the individuals assigned to the management of fund portfolios, the resources made available to such personnel, and in general the ability of Putnam Management to attract and retain high-quality personnel -- does not guarantee favorable investment results for every fund in every time period. The Trustees considered the investment performance of each fund over multiple time periods and considered information comparing the fund's performance with various benchmarks and with the performance of competitive funds. The Trustees noted the satisfactory investment performance of many Putnam funds.

They also noted the disappointing investment performance of certain funds in recent years and continued to discuss with senior management of Putnam Management the factors contributing to such under-performance and actions being taken to improve performance. The Trustees recognized that, in recent years, Putnam Management has made significant changes in its investment personnel and processes and in the fund product line in an effort to address areas of underperformance. The Trustees indicated their intention to continue to monitor performance trends to assess the effectiveness of these changes and to evaluate whether additional remedial changes are warranted. As a general matter, the Trustees concluded that consultation between the Trustees and Putnam Management represents the most effective way to address investment performance problems. The Trustees believe that investors in the Putnam funds and their financial advisors have, as a general matter, effectively placed their trust in the Putnam organization, under the supervision of the funds' Trustees, to make appropriate decisions regarding the management of the funds. The Trustees believe that the termination of the Management Contract and engagement of a new investment adviser for under-performing funds, with all the attendant disruptions, would not serve the interests of fund shareholders at this time and would not necessarily provide any greater assurance of improved investment performance.

Brokerage and soft-dollar allocations; other benefits

The Trustees considered various potential benefits that Putnam Management may receive in connection with the services it provides under the Management Contract with your fund. These include principally benefits related to brokerage and soft-dollar allocations, which pertain mainly to funds investing in equity securities. The Trustees believe that soft-dollar credits and other potential benefits associated with the allocation of fund brokerage represent assets of the funds that should be used for the benefit of fund shareholders. The Trustees noted recent trends in the allocation of fund brokerage, including commission costs, the allocation of brokerage to firms that provide research services to Putnam Management, and the sources and application of available soft-dollar credits. Effective December 31, 2003, reflecting a decision made by the Trustees earlier that year, Putnam Management ceased allocating brokerage in connection with the sale of fund shares. In addition, in preparing its budget for commission allocations in 2004, Putnam Management voluntarily reduced substantially the allocation of brokerage commissions to acquire research services from third-party service providers. In light of evolving best practices in the mutual fund industry, the Trustees concluded that this practice should be further curtailed and possibly eliminated in the near future. The Trustees indicated that they would continue to monitor the allocation of the funds' brokerage to ensure that the principle of "best price and

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

execution" remains paramount in the portfolio trading process.

### Comparison of retail and institutional fee schedules

The information examined by the Trustees as part of the annual contract reviews included information regarding fees charged by Putnam Management and its affiliates to institutional clients such as defined benefit pension plans and college endowments. This information included comparison of such fees with fees charged to the Putnam funds, as well as a detailed assessment of the differences in the services provided to these two types of clients. The Trustees devoted special attention to these issues and reviewed recent articles by critics of mutual fund fees, articles by the ICI defending such fee differences, and relevant guidance provided by decisions of the courts. The Trustees observed, in this regard, that the differences in fee rates between institutional clients and mutual funds are by no means uniform when examined by individual asset sectors, suggesting that differences in the pricing of investment management services to these types of clients reflects to a substantial degree historical competitive forces operating in separate market places. In reaching their conclusions, the Trustees considered the fact that fee rates across all asset sectors are higher on average for mutual funds than for institutional clients, and also considered the differences between the services that Putnam provides to the Putnam funds and those that it provides to institutional clients of the firm.

### Settlement of regulatory charges related to market timing

Finally, in reaching their conclusions, the Trustees considered all matters pertinent to the administrative charges filed against Putnam Management by the SEC and the Commonwealth of Massachusetts in October 2003 relating to market timing, the firm's settlement of those charges, and the conclusions and recommendations of the Trustees' Audit and Pricing Committee based on its review of these matters. The Trustees considered the actions taken by the owner of Putnam Management and its new senior management to terminate or discipline the individuals involved, to implement new compliance systems, to indemnify the funds against all costs and liabilities related to these matters, and otherwise to ensure that the interests of the funds and their shareholders are fully protected. The Trustees noted that, in addition to the settlements of the regulatory charges which will provide comprehensive restitution for any losses suffered by shareholders, the new senior management of Putnam Management has moved aggressively to control expense ratios of funds affected by market timing, to reduce charges to new investors, to improve disclosure of fees and expenses, and to emphasize the paramount role of investment performance in achieving shareholders' investment goals.

### Other information for shareholders

#### A note about duplicate mailings

In response to investors' requests, the SEC has modified mailing regulations for proxy statements, semiannual and annual reports, and prospectuses. Putnam is now able to send a single copy of these materials to customers who share the same address. This change will automatically apply to all shareholders except those who notify us. If you would prefer to receive your own copy, please call Putnam at 1-800-225-1581.



## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

### Proxy voting

Putnam is committed to managing our mutual funds in the best interests of our shareholders. The Putnam funds' proxy voting guidelines and procedures, as well as information regarding how your fund voted proxies relating to portfolio securities during the 12-month period ended June 30, 2004, are available on the Putnam Individual Investor Web site, [www.putnaminvestments.com/individual](http://www.putnaminvestments.com/individual), and on the SEC's Web site, [www.sec.gov](http://www.sec.gov). If you have questions about finding forms on the SEC's Web site, you may call the SEC at 1-800-SEC-0330. You may also obtain the Putnam funds' proxy voting guidelines and procedures at no charge by calling Putnam's Shareholder Services at 1-800-225-1581.

### Fund portfolio holdings

For periods ending on or after July 9, 2004, the fund will file a complete schedule of its portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. Shareholders may obtain the fund's Forms N-Q on the SEC's Web site at [www.sec.gov](http://www.sec.gov). In addition, the fund's Forms N-Q may be reviewed and copied at the SEC's public reference room in Washington, D.C. You may call the SEC at 1-800-SEC-0330 for information about the SEC's Web site or the operation of the public reference room.

The fund's portfolio  
January 31, 2005 (Unaudited)

Corporate bonds and notes (36.2%) (a)

| Principal amount   | Value     |
|--|-----------|
| Basic Materials (3.6%)   |           |
| -----  |           |
| \$575,000 AK Steel Corp. company guaranty<br>7 3/4s, 2012  | \$590,813 |
| 630,000 ALROSA Finance SA 144A company<br>guaranty 8 7/8s, 2014 (Luxembourg)   | 653,625   |
| 260,000 Avecia Group PLC company guaranty<br>11s, 2009 (United Kingdom)  | 274,300   |
| 1,020,000 BCP Caylux Holdings Luxembourg SCA<br>144A sr. sub. notes 9 5/8s, 2014<br>(Luxembourg)                               | 1,132,200 |
| 405,000 Century Aluminum Co. 144A company<br>guaranty 7 1/2s, 2014   | 432,338   |
| EUR 775,000 Cognis GMBH 144A sr. notes 9 1/2s,<br>2014 (Germany)   | 1,133,877 |
| \$1,035,000 Compass Minerals Group, Inc. company<br>guaranty 10s, 2011   | 1,161,788 |
| 400,000 Compass Minerals International, Inc.<br>sr. disc. notes<br>stepped-coupon Ser. B, zero % (12s,<br>6/1/08), 2013 (STP)  | 326,000   |
| 1,070,000 Compass Minerals International, Inc.<br>sr. notes stepped-coupon zero %<br>(12 3/4s, 12/15/07), 2012 (STP)           | 920,200   |
| 738,000 Crystal US Holdings, LLC/US Sub 3<br>Corp. 144A sr. disc. notes<br>stepped-coupon zero % (10s,<br>10/1/09), 2014 (STP) | 512,910   |
| 265,000 Equistar Chemicals LP notes 8 3/4s,<br>2009  | 291,500   |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|     |             |   |           |
|-----|-------------|---|-----------|
|     | 2,345,000   | Equistar Chemicals LP/Equistar Funding Corp. company guaranty 10 1/8s, 2008 | 2,673,300 |
|     | 615,000     | Georgia-Pacific Corp. bonds 7 3/4s, 2029                                    | 701,100   |
|     | 1,340,000   | Georgia-Pacific Corp. debs. 7.7s, 2015                                      | 1,541,000 |
|     | 60,000      | Georgia-Pacific Corp. sr. notes 8s, 2024                                    | 70,350    |
|     | 4,000       | Georgia-Pacific Corp. sr. notes 7 3/8s, 2008                                | 4,330     |
|     | 950,000     | Gerdau Ameristeel Corp. sr. notes 10 3/8s, 2011 (Canada)                    | 1,097,250 |
|     | 1,385,000   | Hercules, Inc. company guaranty 11 1/8s, 2007                               | 1,627,375 |
|     | 280,000     | Huntsman Advanced Materials, LLC 144A sec. FRN 10.89s, 2008                 | 300,300   |
|     | 330,000     | Huntsman Advanced Materials, LLC 144A sec. notes 11s, 2010                  | 387,750   |
|     | 1,099,000   | Huntsman Co., LLC sr. disc. notes zero %, 2008                              | 733,583   |
|     | 2,190,000   | Huntsman ICI Holdings sr. disc. notes zero %, 2009                          | 1,229,138 |
|     | 555,000     | Huntsman, LLC company guaranty 11 5/8s, 2010                                | 646,575   |
|     | 415,000     | Huntsman, LLC 144A company guaranty 11 1/2s, 2012                           | 491,775   |
|     | 325,000     | Innophos, Inc. 144A sr. sub. notes 8 7/8s, 2014                             | 350,188   |
|     | 180,000     | International Steel Group, Inc. sr. notes 6 1/2s, 2014                      | 194,400   |
|     | 912,000     | ISP Chemco, Inc. company guaranty Ser. B, 10 1/4s, 2011                     | 1,012,320 |
|     | 310,000     | Jefferson Smurfit Corp. company guaranty 8 1/4s, 2012                       | 328,600   |
|     | 55,000      | Jefferson Smurfit Corp. company guaranty 7 1/2s, 2013                       | 56,788    |
| EUR | 700,000     | JSG Holding PLC 11 1/2s, 2015   | 914,661   |
|     | \$100,000   | Lyondell Chemical Co. bonds 11 1/8s, 2012                                   | 117,500   |
|     | 980,000     | Lyondell Chemical Co. company guaranty 9 1/2s, 2008                         | 1,058,400 |
|     | 895,000     | Lyondell Chemical Co. notes Ser. A, 9 5/8s, 2007                            | 977,788   |
|     | 125,000     | MDP Acquisitions PLC sr. notes 9 5/8s, 2012 (Ireland)                       | 138,125   |
| EUR | 610,000     | MDP Acquisitions PLC sr. notes Ser. EUR, 10 1/8s, 2012 (Ireland)            | 906,384   |
|     | \$892,474   | MDP Acquisitions PLC sub. notes 15 1/2s, 2013 (Ireland) (PIK)               | 1,039,732 |
| EUR | 100,000     | Nalco Co. sr. notes 7 3/4s, 2011  | 144,352   |
| EUR | 100,000     | Nalco Co. sr. sub. notes 9s, 2013   | 144,352   |
|     | \$1,490,000 | Nalco Co. sr. sub. notes 8 7/8s, 2013                                       | 1,624,100 |
|     | 795,000     | Norske Skog Canada, Ltd. sr. notes 7 3/8s, 2014 (Canada)                    | 802,950   |
|     | 1,140,000   | Novels, Inc. 144A sr. notes 7 1/4s, 2015 (Canada)                           | 1,162,800 |
|     | 609,379     | PCI Chemicals Canada sec. sr. notes 10s, 2008 (Canada)                      | 645,942   |
|     | 112,580     | Pioneer Companies, Inc. sec. sr.notes FRN 6.05s, 2006                       | 118,209   |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|     |           |   |            |
|-----|-----------|---|------------|
| EUR | 500,000   | Rockwood Specialties Group, Inc.<br>company guaranty 7 5/8s, 2014 | 664,734    |
|     | \$200,000 | Rockwood Specialties Group, Inc.<br>144A sub. notes 7 1/2s, 2014  | 206,000    |
| EUR | 620,000   | SGL Carbon SA 144A sr. notes 8 1/2s,<br>2012 (Luxembourg)         | 903,465    |
|     | \$965,000 | Steel Dynamics, Inc. company<br>guaranty 9 1/2s, 2009             | 1,054,263  |
|     | 207,976   | Sterling Chemicals, Inc. sec. notes<br>10s, 2007 (PIK)            | 206,936    |
|     | 345,000   | Stone Container Corp. sr. notes<br>8 3/8s, 2012                   | 365,700    |
|     | 210,000   | Stone Container Finance company<br>guaranty 7 3/8s, 2014 (Canada) | 216,300    |
|     | 529,000   | Ucar Finance, Inc. company guaranty<br>10 1/4s, 2012              | 591,819    |
|     | 498,000   | United Agri Products 144A sr. notes<br>8 1/4s, 2011               | 535,350    |
|     | 706,000   | United States Steel Corp. sr. notes<br>9 3/4s, 2010               | 806,605    |
|     | 77,422    | Wheeling-Pittsburgh Steel Corp. sr.<br>notes 6s, 2010             | 65,034     |
|     | 150,487   | Wheeling-Pittsburgh Steel Corp. sr.<br>notes 5s, 2011             | 126,409    |
|     | 260,000   | WHX Corp. sr. notes 10 1/2s, 2005                                 | 247,000    |
|     |           | -----   |            |
|     |           |   | 36,660,583 |

### Capital Goods (2.6%)

|     |             |  |           |
|-----|-------------|--|-----------|
|     | 698,000     | AEP Industries, Inc. sr. sub. notes<br>9 7/8s, 2007                          | 711,960   |
|     | 1,670,000   | Allied Waste North America, Inc.<br>company guaranty Ser. B, 8 1/2s,<br>2008 | 1,736,800 |
|     | 511,000     | Amsted Industries, Inc. 144A sr.<br>notes 10 1/4s, 2011                      | 574,875   |
|     | 775,000     | Argo-Tech Corp. sr. notes 9 1/4s,<br>2011                                    | 848,625   |
|     | 260,000     | BE Aerospace, Inc. sr. sub. notes<br>Ser. B, 8s, 2008                        | 257,400   |
|     | 776,000     | Blount, Inc. sr. sub. notes 8 7/8s,<br>2012                                  | 843,900   |
|     | 455,000     | Browning-Ferris Industries, Inc.<br>debs. 7.4s, 2035                         | 389,025   |
|     | 597,000     | Browning-Ferris Industries, Inc. sr.<br>notes 6 3/8s, 2008                   | 585,060   |
|     | 1,240,000   | Crown Euro Holdings SA sec. notes<br>10 7/8s, 2013 (France)                  | 1,453,900 |
| EUR | 115,000     | Crown Euro Holdings SA sec. notes<br>10 1/4s, 2011 (France)                  | 172,000   |
|     | \$387,000   | Crown Euro Holdings SA sec. notes<br>9 1/2s, 2011 (France)                   | 431,505   |
| EUR | 151,000     | Crown Euro Holdings SA sec. notes<br>6 1/4s, 2011 (France)                   | 207,835   |
|     | \$2,596,000 | Decrane Aircraft Holdings Co.<br>company guaranty zero %, 2008               | 986,480   |
|     | 1,010,000   | Earle M. Jorgensen Co. sec. notes<br>9 3/4s, 2012                            | 1,128,675 |
|     | 840,000     | FIMEP SA sr. notes 10 1/2s, 2013<br>(France)                                 | 993,300   |
| EUR | 500,000     | Flender Holdings 144A sr. notes 11s,   |           |

Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|                               |  |            |
|-------------------------------|--|------------|
|                               | 2010 (Germany)   | 786,928    |
| \$770,000                     | Flowserve Corp. company guaranty<br>12 1/4s, 2010  | 847,000    |
| 1,370,000                     | Invensys, PLC notes 9 7/8s, 2011<br>(United Kingdom)   | 1,469,325  |
| 2,050,000                     | L-3 Communications Corp. 144A sr.<br>sub. notes 5 7/8s, 2015                                   | 2,039,750  |
| 1,025,000                     | Legrand SA debs. 8 1/2s, 2025<br>(France)  | 1,209,500  |
|                               | 78,000 Manitowoc Co., Inc. (The) company<br>guaranty 10 1/2s, 2012                             | 89,505     |
| EUR 240,000                   | Manitowoc Co., Inc. (The) company<br>guaranty 10 3/8s, 2011                                    | 349,572    |
| \$305,000                     | Manitowoc Co., Inc. (The) sr. notes<br>7 1/8s, 2013  | 326,350    |
| 305,000                       | Mueller Group, Inc. sec. FRN 7.493s,<br>2011   | 313,388    |
| 370,000                       | Mueller Group, Inc. sr. sub. notes<br>10s, 2012  | 399,600    |
| 775,000                       | Owens-Brockway Glass company<br>guaranty 8 1/4s, 2013  | 842,813    |
| 613,000                       | Owens-Brockway Glass company<br>guaranty 7 3/4s, 2011  | 658,975    |
| 1,345,000                     | Owens-Brockway Glass sr. sec. notes<br>8 3/4s, 2012  | 1,496,313  |
| 206,000                       | Owens-Illinois, Inc. debs. 7.8s,<br>2018   | 214,240    |
| 405,000                       | Pliant Corp. sec. notes 11 1/8s,<br>2009   | 441,956    |
| EUR 201,000                   | Polypore, Inc. notes 8 3/4s, 2012  | 272,463    |
| \$363,000                     | Polypore, Inc. sr. sub. notes<br>8 3/4s, 2012  | 372,983    |
| 1,650,000                     | Sequa Corp. sr. notes 9s, 2009   | 1,823,250  |
| 325,000                       | Siebe PLC 144A sr. unsub. 6 1/2s,<br>2010 (United Kingdom)                                     | 307,531    |
| 265,000                       | Terex Corp. company guaranty 9 1/4s,<br>2011   | 293,488    |
| 995,000                       | Terex Corp. company guaranty Ser. B,<br>10 3/8s, 2011  | 1,104,450  |
|                               |  | -----      |
|                               |  | 26,980,720 |
| Communication Services (3.9%) |  |            |
| -----                         |  |            |
| 469,000                       | Alamosa Delaware, Inc. company<br>guaranty 11s, 2010   | 546,385    |
| 371,000                       | Alamosa Delaware, Inc. company<br>guaranty stepped-coupon zero %<br>(12s, 7/31/05), 2009 (STP) | 399,753    |
| 270,000                       | American Cellular Corp. company<br>guaranty 9 1/2s, 2009                                       | 249,750    |
| 1,040,000                     | American Towers, Inc. company<br>guaranty 7 1/4s, 2011   | 1,086,800  |
| 770,000                       | Asia Global Crossing, Ltd. sr. notes<br>13 3/8s, 2010 (Bermuda) (In default)<br>(NON)          | 38,500     |
| 5,725,000                     | AT&T Corp. sr. notes 9 3/4s, 2031  | 7,292,219  |
| 1,775,000                     | AT&T Corp. sr. notes 9.05s, 2011   | 2,059,000  |
| 205,000                       | Cincinnati Bell Telephone Co.<br>company guaranty 6.3s, 2028                                   | 186,550    |
| 750,000                       | Cincinnati Bell, Inc. sr. sub. notes<br>8 3/8s, 2014   | 761,250    |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|           |   |           |
|-----------|---|-----------|
| 565,000   | Cincinnati Bell, Inc. sr. sub. notes<br>7 1/4s, 2023  | 553,700   |
| 1,475,000 | Citizens Communications Co. notes<br>9 1/4s, 2011   | 1,722,063 |
| 2,993,000 | Citizens Communications Co. sr.<br>notes 6 1/4s, 2013   | 2,985,518 |
| 437,472   | Colo.com, Inc. 144A sr. notes<br>13 7/8s, 2010 (In default) (NON) (F)   | --        |
| 365,000   | Eircom Funding company guaranty<br>Ser. US\$, 8 1/4s, 2013 (Ireland)  | 398,763   |
| 540,000   | Fairpoint Communications, Inc. sr.<br>sub. notes 12 1/2s, 2010  | 587,250   |
| 300,220   | Globix Corp. company guaranty 11s,<br>2008 (PIK)  | 283,708   |
| 810,000   | Inmarsat Finance PLC company<br>guaranty 7 5/8s, 2012 (United<br>Kingdom)   | 826,200   |
| 1,060,000 | Inmarsat Finance PLC company<br>guaranty stepped-coupon zero %<br>(10 3/8s, 10/15/08), 2012                                       | 768,500   |
| 420,000   | iPCS, Inc. sr. no 11 1/2s, 2012   | 479,850   |
| 115,000   | IWO Escrow Co. 144A sec. FRN 6.32s,<br>2012   | 115,000   |
| 115,000   | IWO Escrow Co. 144A sr. disc. notes<br>stepped-coupon zero %<br>(10 3/4s, 1/15/10), 2015 (STP)                                    | 73,313    |
| 780,000   | Level 3 Financing, Inc. 144A sr.<br>notes 10 3/4s, 2011   | 672,750   |
| 1,005,000 | Madison River Capital Corp. sr.<br>notes 13 1/4s, 2010  | 1,075,350 |
| 1,458,000 | MCI, Inc. sr. notes 8.735s, 2014  | 1,594,688 |
| 358,000   | MCI, Inc. sr. notes 7.688s, 2009  | 373,663   |
| 1,000     | MCI, Inc. sr. notes 6.908s, 2007  | 1,023     |
| 1,628,000 | Nextel Communications, Inc. sr.<br>notes 7 3/8s, 2015   | 1,794,870 |
| 2,602,000 | Nextel Communications, Inc. sr.<br>notes 5.95s, 2014  | 2,699,575 |
| 915,000   | Nextel Partners, Inc. sr. notes<br>8 1/8s, 2011   | 1,006,500 |
| 390,000   | PanAmSat Corp. notes 6 3/8s, 2008   | 403,650   |
| 610,000   | Qwest Communications International,<br>Inc. 144A sr. notes 7 3/4s, 2014   | 620,675   |
| 3,360,000 | Qwest Corp. 144A notes 9 1/8s, 2012   | 3,822,000 |
| 505,000   | Qwest Services Corp. 144A notes<br>14 1/2s, 2014  | 632,513   |
| 240,000   | Rogers Cantel, Inc. debs. 9 3/4s,<br>2016 (Canada)  | 288,000   |
| 380,000   | Rogers Wireless Communications, Inc.<br>sec. notes 9 5/8s, 2011 (Canada)  | 445,550   |
| 365,000   | Rogers Wireless Communications, Inc.<br>sec. notes 7 1/2s, 2015 (Canada)  | 390,550   |
| 420,000   | Rural Cellular Corp. sr. sub. notes<br>9 3/4s, 2010   | 405,300   |
| 322,000   | SBA Communications Corp. 144A sr.<br>notes 8 1/2s, 2012   | 335,283   |
| 445,000   | SBA Telecommunications Inc./SBA<br>Communication Corp. sr. disc. notes<br>stepped-coupon zero % (9 3/4s,<br>12/15/07), 2011 (STP) | 383,256   |
| 935,000   | TSI Telecommunication Services, Inc.<br>company guaranty Ser. B, 12 3/4s,<br>2009   | 1,054,213 |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|         |   |            |
|---------|---|------------|
| 510,000 | UbiquiTel Operating Co. sr. notes<br>9 7/8s, 2011                               | 562,275    |
| 336,000 | UbiquiTel Operating Co. 144A sr.<br>notes 9 7/8s, 2011                          | 370,440    |
| 337,135 | Verado Holdings, Inc. sr. disc.<br>notes zero %, 2008 (In default)<br>(NON) (F) | 10         |
|         |   | 40,346,206 |

### Consumer Cyclical (8.2%)

|           |  |           |
|-----------|--|-----------|
|           | 730,000 Advertising Direct 144A sr. notes<br>9 1/4s, 2012 (Canada)             | 770,150   |
| 395,000   | Ameristar Casinos, Inc. company<br>guaranty 10 3/4s, 2009                      | 442,400   |
| 468,000   | Argosy Gaming Co. sr. sub. notes 7s,<br>2014                                   | 514,800   |
| 870,000   | ArvinMeritor, Inc. notes 8 3/4s,<br>2012                                       | 973,313   |
| 640,000   | Asbury Automotive Group, Inc. sr.<br>sub. notes 8s, 2014                       | 641,600   |
| 1,230,000 | Autonation, Inc. company guaranty<br>9s, 2008                                  | 1,383,750 |
| 210,000   | Beazer Homes USA, Inc. company<br>guaranty 8 3/8s, 2012                        | 230,475   |
| 820,000   | Boyd Gaming Corp. sr. sub. notes<br>8 3/4s, 2012                               | 904,050   |
| 230,000   | Boyd Gaming Corp. sr. sub. notes<br>7 3/4s, 2012                               | 247,250   |
| 190,000   | Boyd Gaming Corp. sr. sub. notes<br>6 3/4s, 2014                               | 194,750   |
| 1,480,646 | CanWest Media, Inc. 144A sr. sub.<br>notes 8s, 2012 (Canada)                   | 1,580,590 |
| 500,000   | Chumash Casino & Resort Enterprise<br>144A sr. notes 9s, 2010                  | 547,500   |
| 1,192,000 | Coinmach Corp. sr. notes 9s, 2010  | 1,227,760 |
| 277,000   | Cooper Standard Auto 144A notes<br>8 3/8s, 2014                                | 263,150   |
| 91,000    | Cooper Standard Auto 144A notes 7s,<br>2012                                    | 89,408    |
| 145,000   | D.R. Horton, Inc. company guaranty<br>8s, 2009                                 | 162,069   |
| 880,000   | D.R. Horton, Inc. sr. notes 7 7/8s,<br>2011                                    | 1,009,800 |
| 220,000   | D.R. Horton, Inc. sr. notes 6 7/8s,<br>2013                                    | 241,450   |
| 600,000   | D.R. Horton, Inc. sr. notes 5 7/8s,<br>2013                                    | 615,199   |
| 220,000   | Dana Corp. notes 10 1/8s, 2010   | 243,143   |
| 785,000   | Dana Corp. notes 9s, 2011  | 924,338   |
| 135,000   | Dana Corp. notes 7s, 2029  | 134,104   |
| 405,000   | Dana Corp. notes 6 1/2s, 2009  | 423,633   |
| 780,000   | Dayton Superior Corp. sec. notes<br>10 3/4s, 2008                              | 838,500   |
| 295,000   | Delco Remy International, Inc.<br>company guaranty 11s, 2009                   | 311,225   |
| 740,000   | Delco Remy International, Inc. sr.<br>sub. notes 9 3/8s, 2012                  | 736,300   |
| 825,000   | Dex Media West, LLC/Dex Media<br>Finance Co. sr. notes Ser. B,<br>8 1/2s, 2010 | 897,188   |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|           |   |           |
|-----------|---|-----------|
| 705,000   | Dex Media, Inc. disc. notes zero %, 2013  | 530,513   |
| 805,000   | Dex Media, Inc. notes 8s, 2013  | 855,313   |
| 265,000   | Dura Operating Corp. company guaranty Ser. B, 8 5/8s, 2012  | 272,288   |
| 661,000   | FelCor Lodging LP company guaranty 9s, 2008 (R)   | 743,625   |
| 680,000   | Finlay Fine Jewelry Corp. sr. notes 8 3/8s, 2012  | 683,400   |
| 965,000   | Gaylord Entertainment Co. sr. notes 8s, 2013  | 1,032,550 |
| 1,160,000 | Goodyear Tire & Rubber Co. (The) notes 7.857s, 2011   | 1,171,600 |
| 285,000   | Goodyear Tire & Rubber Co. (The) notes 6 3/8s, 2008   | 295,688   |
| 5,000     | Harrah's Operating Co., Inc. company guaranty 8s, 2011  | 5,794     |
| 585,000   | HMH Properties, Inc. company guaranty Ser. B, 7 7/8s, 2008 (R)                                    | 600,356   |
| 389,000   | Host Marriott LP sr. notes Ser. E, 8 3/8s, 2006 (R)   | 404,560   |
| 1,050,000 | Host Marriott LP 144A sr. notes 7s, 2012 (R)  | 1,097,250 |
| 475,000   | Houghton Mifflin Co. sr. sub. notes 9 7/8s, 2013  | 495,188   |
| 825,000   | Icon Health & Fitness company guaranty 11 1/4s, 2012  | 709,500   |
| 725,000   | ITT Corp. debs. 7 3/8s, 2015  | 812,000   |
| 815,000   | ITT Corp. notes 6 3/4s, 2005  | 832,319   |
| 1,370,000 | JC Penney Co., Inc. debs. 7.95s, 2017   | 1,596,050 |
| 615,000   | JC Penney Co., Inc. debs. 7 1/8s, 2023  | 666,506   |
| 40,000    | JC Penney Co., Inc. notes 8s, 2010  | 45,350    |
| 1,445,000 | John Q. Hammons Hotels LP/John Q. Hammons Hotels Finance Corp. III 1st mtge. Ser. B, 8 7/8s, 2012 | 1,618,400 |
| 728,000   | Jostens Holding Corp. sr. disc. notes stepped-coupon zero % (10 1/4s, 12/1/08), 2013 (STP)        | 509,600   |
| 1,602,000 | Jostens IH Corp. 144A company guaranty 7 5/8s, 2012   | 1,630,035 |
| 795,000   | K. Hovnanian Enterprises, Inc. company guaranty 8 7/8s, 2012                                      | 882,450   |
| 540,000   | K. Hovnanian Enterprises, Inc. company guaranty 6 3/8s, 2014                                      | 552,150   |
| 405,000   | K. Hovnanian Enterprises, Inc. sr. notes 6 1/2s, 2014   | 418,163   |
| 243,000   | K2, Inc. sr. notes 7 3/8s, 2014   | 260,921   |
| 328,000   | KB Home company guaranty 5 7/8s, 2015   | 332,202   |
| 472,000   | KB Home sr. notes 5 3/4s, 2014  | 477,479   |
| 1,885,000 | Laidlaw International, Inc. sr. notes 10 3/4s, 2011   | 2,167,750 |
| 780,000   | Lamar Media Corp. company guaranty 7 1/4s, 2013   | 838,500   |
| 1,406,000 | Levi Strauss & Co. sr. notes 12 1/4s, 2012  | 1,518,480 |
| 780,000   | Levi Strauss & Co. 144A sr. notes 9 3/4s, 2015  | 758,550   |
| 600,000   | Mandalay Resort Group sr. notes 6 3/8s, 2011  | 627,000   |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|           |   |           |
|-----------|---|-----------|
| 985,000   | MeriStar Hospital Corp. company guaranty 9 1/8s, 2011 (R)                   | 1,063,800 |
| 410,000   | Meritage Corp. company guaranty 9 3/4s, 2011                                | 453,050   |
| 275,000   | Meritage Corp. sr. notes 7s, 2014   | 284,625   |
| 560,000   | Meritor Automotive, Inc. notes 6.8s, 2009                                   | 576,800   |
| 615,000   | Metaldyne Corp. 144A sr. notes 10s, 2013                                    | 575,025   |
| 1,085,000 | MGM Mirage, Inc. company guaranty 8 1/2s, 2010                              | 1,228,763 |
| 680,000   | MGM Mirage, Inc. company guaranty 6s, 2009                                  | 693,600   |
| 250,000   | Mirage Resorts, Inc. debs. 7 1/4s, 2017                                     | 261,875   |
| 165,000   | Mohegan Tribal Gaming Authority sr. sub. notes 8s, 2012                     | 177,375   |
| 430,000   | Mohegan Tribal Gaming Authority sr. sub. notes 6 3/8s, 2009                 | 436,988   |
| 415,000   | Owens Corning bonds 7 1/2s, 2018 (In default) (NON)                         | 284,275   |
| 1,185,000 | Owens Corning notes 7 1/2s, 2005 (In default) (NON)                         | 817,650   |
| 635,000   | Oxford Industries, Inc. sr. notes 8 7/8s, 2011                              | 676,275   |
| 1,250,000 | Park Place Entertainment Corp. sr. notes 7 1/2s, 2009                       | 1,390,625 |
| 680,000   | Park Place Entertainment Corp. sr. notes 7s, 2013                           | 754,800   |
| 545,000   | Park Place Entertainment Corp. sr. sub. notes 8 7/8s, 2008                  | 613,806   |
| 1,320,000 | Penn National Gaming, Inc. sr. sub. notes 8 7/8s, 2010                      | 1,425,600 |
| 395,000   | Pinnacle Entertainment, Inc. sr. sub. notes 8 3/4s, 2013                    | 427,588   |
| 1,068,000 | Pinnacle Entertainment, Inc. sr. sub. notes 8 1/4s, 2012                    | 1,137,420 |
| 1,515,000 | PRIMEDIA, Inc. company guaranty 8 7/8s, 2011                                | 1,598,325 |
| 1,110,000 | PRIMEDIA, Inc. sr. notes 8s, 2013   | 1,137,750 |
| 470,000   | R. H. Donnelley Corp. 144A sr. notes 6 7/8s, 2013                           | 471,175   |
| 510,000   | Reader's Digest Association, Inc. (The) sr. notes 6 1/2s, 2011              | 536,775   |
| 995,000   | Resorts International Hotel and Casino, Inc. company guaranty 11 1/2s, 2009 | 1,166,638 |
| 175,000   | RH Donnelley Finance Corp. I company guaranty 8 7/8s, 2010                  | 193,813   |
| 1,290,000 | RH Donnelley Finance Corp. I 144A company guaranty 8 7/8s, 2010             | 1,428,675 |
| 650,000   | RH Donnelley Finance Corp. I 144A sr. sub. notes 10 7/8s, 2012              | 760,500   |
| 791,000   | Russell Corp. company guaranty 9 1/4s, 2010                                 | 848,348   |
| 1,538,000 | Saks, Inc. company guaranty 7s, 2013  | 1,576,450 |
| 1,665,000 | Samsonite Corp. sr. sub. notes 8 7/8s, 2011                                 | 1,791,956 |
| 530,000   | Schuler Homes, Inc. company guaranty 10 1/2s, 2011                          | 605,525   |
| 466,000   | Scientific Games Corp. 144A sr. sub. notes 6 1/4s, 2012                     | 472,990   |



## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|                         |  |            |
|-------------------------|--|------------|
|                         | 1,545,000 Sealy Mattress Co. sr. sub. notes<br>8 1/4s, 2014                                | 1,575,900  |
|                         | 590,000 Standard Pacific Corp. sr. notes<br>7 3/4s, 2013                                   | 638,675    |
|                         | 785,000 Starwood Hotels & Resorts Worldwide,<br>Inc. company guaranty 7 7/8s, 2012         | 894,900    |
|                         | 535,000 Starwood Hotels & Resorts Worldwide,<br>Inc. company guaranty 7 3/8s, 2007         | 569,106    |
|                         | 665,000 Station Casinos, Inc. sr. notes 6s,<br>2012  | 681,625    |
|                         | 715,000 Station Casinos, Inc. sr. sub. notes<br>6 7/8s, 2016                               | 741,813    |
|                         | 470,000 Technical Olympic USA, Inc. company<br>guaranty 10 3/8s, 2012                      | 524,050    |
|                         | 305,000 Technical Olympic USA, Inc. company<br>guaranty 9s, 2010                           | 327,875    |
|                         | 463,000 Technical Olympic USA, Inc. 144A sr.<br>sub. notes 7 1/2s, 2015                    | 449,110    |
| EUR                     | 185,000 Teksid Aluminum 144A company<br>guaranty 11 3/8s, 2011 (Luxembourg)                | 226,058    |
| \$1,040,000             | Tenneco Automotive, Inc. sec. notes<br>Ser. B, 10 1/4s, 2013                               | 1,222,000  |
|                         | 596,000 Tenneco Automotive, Inc. 144A sr.<br>sub. notes 8 5/8s, 2014                       | 619,840    |
|                         | 870,000 THL Buildco, Inc. (Nortek, Inc.) sr.<br>sub. notes 8 1/2s, 2014                    | 893,925    |
|                         | 494,000 Toys R Us, Inc. notes 7 5/8s, 2011   | 512,525    |
|                         | 715,000 United Auto Group, Inc. company<br>guaranty 9 5/8s, 2012                           | 779,350    |
|                         | 835,000 Vertis, Inc. company guaranty<br>Ser. B, 10 7/8s, 2009                             | 897,625    |
|                         | 1,015,000 Vertis, Inc. 144A sub. notes<br>13 1/2s, 2009                                    | 1,078,438  |
|                         | 1,135,000 WCI Communities, Inc. company<br>guaranty 9 1/8s, 2012                           | 1,265,525  |
|                         | 552,000 William Carter Holdings Co. (The)<br>company guaranty Ser. B, 10 7/8s,<br>2011     | 622,380    |
|                         | 770,000 WRC Media Corp. sr. sub. notes<br>12 3/4s, 2009                                    | 729,575    |
|                         | 785,000 Wynn Las Vegas, LLC/Wynn Las Vegas<br>Capital Corp. 144A 1st mtge. 6 5/8s,<br>2014 | 771,263    |
|                         |  | -----      |
|                         |  | 83,879,843 |
|                         |  |            |
| Consumer Staples (4.5%) |  |            |
| -----                   |  |            |
|                         | 560,000 Adelphia Communications Corp. sr.<br>notes 10 7/8s, 2010 (In default)<br>(NON)     | 484,400    |
|                         | 25,000 Adelphia Communications Corp. sr.<br>notes 10 1/4s, 2011 (In default)<br>(NON)      | 22,063     |
|                         | 75,000 Adelphia Communications Corp. sr.<br>notes 9 3/8s, 2009 (In default)<br>(NON)       | 64,500     |
|                         | 765,000 Affinity Group, Inc. sr. sub. notes<br>9s, 2012                                    | 818,550    |
|                         | 416,000 AMC Entertainment, Inc. sr. sub.<br>notes 9 7/8s, 2012                             | 449,280    |
|                         | 1,269,000 AMC Entertainment, Inc. sr. sub.   |            |

Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|           |   |           |
|-----------|---|-----------|
|           | notes 8s, 2014  | 1,257,896 |
| 165,822   | Archibald Candy Corp. company guaranty 10s, 2007 (In default) (NON) (PIK) (F)   | 35,320    |
| 790,000   | Brand Services, Inc. company guaranty 12s, 2012   | 888,750   |
| 700,000   | Capital Records, Inc. 144A company guaranty 8 3/8s, 2009  | 785,750   |
| 360,000   | Charter Communications Holdings, LLC/Capital Corp. sr. disc. notes stepped-coupon zero % (12 1/8s, 1/15/07), 2012 (STP) | 230,400   |
| 735,000   | Charter Communications Holdings, LLC/Capital Corp. sr. disc. notes stepped-coupon zero % (11 3/4s, 5/15/06), 2011 (STP) | 510,825   |
| 980,000   | Charter Communications Holdings, LLC/Capital Corp. sr. notes 11 1/8s, 2011  | 828,100   |
| 1,195,000 | Charter Communications Holdings, LLC/Capital Corp. sr. notes 10 3/4s, 2009  | 1,018,738 |
| 2,310,000 | Charter Communications Holdings, LLC/Capital Corp. sr. notes 10s, 2011  | 1,824,900 |
| 265,000   | Charter Communications Holdings, LLC/Capital Corp. sr. notes 8 5/8s, 2009   | 212,000   |
| 625,000   | Church & Dwight Co., Inc. 144A sr. sub. notes 6s, 2012  | 631,250   |
| 35,000    | Cinemark USA, Inc. sr. sub. notes 9s, 2013  | 39,200    |
| 1,385,000 | Cinemark, Inc. sr. disc. notes stepped-coupon zero % (9 3/4s, 3/15/07), 2014 (STP)                                      | 1,045,675 |
| 1,155,000 | Constellation Brands, Inc. company guaranty Ser. B, 8s, 2008  | 1,258,950 |
| 595,000   | Constellation Brands, Inc. sr. sub. notes Ser. B, 8 1/8s, 2012  | 645,575   |
| 600,000   | CSC Holdings, Inc. debs. 7 5/8s, 2018   | 663,000   |
| 515,000   | CSC Holdings, Inc. sr. notes Ser. B, 7 5/8s, 2011   | 561,350   |
| 1,460,000 | CSC Holdings, Inc. 144A sr. notes 6 3/4s, 2012  | 1,533,000 |
| 1,297,000 | Dean Foods Co. sr. notes 6 5/8s, 2009   | 1,352,123 |
| 780,000   | Del Monte Corp. sr. sub. notes 8 5/8s, 2012   | 866,775   |
| 465,000   | Del Monte Corp. 144A sr. sub. notes 6 3/4s, 2015  | 470,813   |
| 3,586,000 | Diva Systems Corp. sr. disc. notes Ser. B, 12 5/8s, 2008 (In default) (NON)   | 15,689    |
| 1,150,000 | Doane Pet Care Co. sr. sub. debs. 9 3/4s, 2007  | 1,115,500 |
| 678,000   | Domino's, Inc. sr. sub. notes 8 1/4s, 2011  | 725,460   |
| 1,038,000 | Echostar DBS Corp. sr. notes 6 3/8s, 2011   | 1,060,058 |
| 2,991,000 | Echostar DBS Corp. 144A company guaranty 6 5/8s, 2014   | 3,020,910 |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|             |   |            |
|-------------|---|------------|
|             | 452,000 Elizabeth Arden, Inc. company guaranty 7 3/4s, 2014   | 473,470    |
| 1,353,000   | Granite Broadcasting Corp. sec. notes 9 3/4s, 2010  | 1,302,263  |
| 440,000     | Intelsat Bermuda, Ltd. 144A sr. notes 8 1/4s, 2013 (Bermuda)  | 455,400    |
| 500,000     | Jean Coutu Group, Inc. 144A sr. notes 7 5/8s, 2012 (Canada)   | 520,000    |
| 603,000     | Jean Coutu Group, Inc. 144A sr. sub. notes 8 1/2s, 2014 (Canada)  | 601,493    |
| 1,170,000   | Kabel Deutschland GmbH 144A sr. notes 10 5/8s, 2014 (Germany)   | 1,322,100  |
|             | 59,690 Knology, Inc. 144A sr. notes 12s, 2009 (PIK)   | 57,302     |
| 1,374,000   | Pinnacle Foods Holding Corp. sr. sub. notes 8 1/4s, 2013  | 1,257,210  |
| 1,165,000   | Playtex Products, Inc. company guaranty 9 3/8s, 2011  | 1,246,550  |
| 1,075,000   | Playtex Products, Inc. sec. notes 8s, 2011  | 1,171,750  |
| 1,050,000   | Prestige Brands, Inc. sr. sub. notes 9 1/4s, 2012   | 1,107,750  |
|             | 45,000 Quebecor Media, Inc. sr. disc. notes stepped-coupon zero % (13 3/4s, 7/15/06), 2011 (Canada) (STP) | 44,550     |
| 1,010,000   | Rainbow National Services, LLC 144A sr. notes 8 3/4s, 2012  | 1,136,250  |
| 1,030,000   | Remington Arms Co., Inc. company guaranty 10 1/2s, 2011   | 991,375    |
|             | 780,000 Rite Aid Corp. company guaranty 9 1/2s, 2011  | 838,500    |
|             | 50,000 Rite Aid Corp. debs. 6 7/8s, 2013  | 45,250     |
|             | 105,000 Rite Aid Corp. notes 7 1/8s, 2007   | 104,475    |
|             | 710,000 Rite Aid Corp. sr. notes 9 1/4s, 2013   | 706,450    |
|             | 455,000 Rite Aid Corp. 144A sec. notes 7 1/2s, 2015   | 448,175    |
| 1,220,000   | Sbarro, Inc. company guaranty 11s, 2009   | 1,226,100  |
|             | 355,000 Scotts Co. (The) sr. sub. notes 6 5/8s, 2013  | 368,313    |
|             | 945,000 Six Flags, Inc. sr. notes 9 5/8s, 2014  | 890,663    |
| EUR         | 288,000 United Biscuits Finance company guaranty 10 5/8s, 2011 (United Kingdom)                           | 396,213    |
| \$1,235,000 | United Rentals (North America), Inc. company guaranty 6 1/2s, 2012  | 1,213,388  |
|             | 529,000 Universal City Florida Holding Co. 144A sr. notes 8 3/8s, 2010                                    | 550,160    |
|             | 664,000 Universal City Florida Holding Co. 144A sr. notes FRN 7.2s, 2010                                  | 690,560    |
|             | 405,000 Videotron Ltee company guaranty 6 7/8s, 2014 (Canada)   | 413,606    |
| 1,010,000   | Williams Scotsman, Inc. company guaranty 9 7/8s, 2007   | 1,010,000  |
|             | 610,000 Young Broadcasting, Inc. company guaranty 10s, 2011   | 643,550    |
|             | 510,000 Young Broadcasting, Inc. sr. sub. notes 8 3/4s, 2014  | 507,450    |
|             | -----   |            |
|             |   | 46,177,116 |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

### Energy (3.7%)

|           |   |           |
|-----------|---|-----------|
| 1,085,000 | Amerada Hess Corp. unsub notes<br>6.65s, 2011                                 | 1,193,882 |
| 1,390,000 | Arch Western Finance, LLC sr. notes<br>6 3/4s, 2013                           | 1,417,800 |
| 483,000   | Arch Western Finance, LLC 144A sr.<br>notes 6 3/4s, 2013                      | 492,660   |
| 677,000   | Bluewater Finance, Ltd. company<br>guaranty 10 1/4s, 2012 (Cayman<br>Islands) | 744,700   |
| 890,000   | BRL Universal Equipment sec. notes<br>8 7/8s, 2008                            | 930,050   |
| 795,000   | CHC Helicopter Corp. sr. sub. notes<br>7 3/8s, 2014 (Canada)                  | 832,763   |
| 475,000   | Chesapeake Energy Corp. company<br>guaranty 9s, 2012                          | 535,563   |
| 371,000   | Chesapeake Energy Corp. company<br>guaranty 7 3/4s, 2015                      | 402,999   |
| 1,365,000 | Chesapeake Energy Corp. sr. notes<br>7 1/2s, 2013                             | 1,487,850 |
| 400,000   | Chesapeake Energy Corp. sr. notes<br>7s, 2014                                 | 424,000   |
| 720,000   | Comstock Resources, Inc. sr. notes<br>6 7/8s, 2012                            | 734,400   |
| 974,000   | Dresser, Inc. company guaranty<br>9 3/8s, 2011                                | 1,056,790 |
| 301,000   | Dresser-Rand Group, Inc. 144A sr.<br>sub. notes 7 3/8s, 2014                  | 307,773   |
| 755,000   | Encore Acquisition Co. company<br>guaranty 8 3/8s, 2012                       | 832,388   |
| 360,000   | Encore Acquisition Co. sr. sub.<br>notes 6 1/4s, 2014                         | 359,100   |
| 1,020,000 | Exco Resources, Inc. company<br>guaranty 7 1/4s, 2011                         | 1,076,100 |
| 480,000   | Forest Oil Corp. company guaranty<br>7 3/4s, 2014                             | 516,000   |
| 770,000   | Forest Oil Corp. sr. notes 8s, 2011   | 872,988   |
| 275,000   | Forest Oil Corp. sr. notes 8s, 2008   | 299,063   |
| 555,000   | Hanover Compressor Co. sr. notes 9s,<br>2014                                  | 610,500   |
| 449,000   | Hanover Compressor Co. sr. notes<br>8 5/8s, 2010                              | 484,920   |
| 745,000   | Hanover Compressor Co. sub. notes<br>zero %, 2007                             | 659,325   |
| 241,000   | Hanover Equipment Trust sec. notes<br>Ser. B, 8 3/4s, 2011                    | 260,280   |
| 824,000   | Harvest Operations Corp. 144A sr.<br>notes 7 7/8s, 2011 (Canada)              | 832,240   |
| 730,000   | Hornbeck Offshore Services, Inc.<br>144A sr. notes 6 1/8s, 2014               | 728,175   |
| 875,000   | Inergy LP/Inergy Finance Corp. 144A<br>sr. notes 6 7/8s, 2014                 | 870,625   |
| 515,000   | KCS Energy, Inc. sr. notes 7 1/8s,<br>2012                                    | 539,463   |
| 646,000   | Key Energy Services, Inc. sr. notes<br>6 3/8s, 2013                           | 646,000   |
| 1,081,000 | Massey Energy Co. sr. notes 6 5/8s,<br>2010                                   | 1,113,430 |
| 980,000   | Newfield Exploration Co. sr. notes<br>7 5/8s, 2011                            | 1,097,600 |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|           |   |            |
|-----------|---|------------|
| 505,000   | Newfield Exploration Co. 144A sr.<br>sub. notes 6 5/8s, 2014                            | 532,775    |
| 655,000   | Offshore Logistics, Inc. company<br>guaranty 6 1/8s, 2013                               | 653,363    |
| 764,138   | Oslo Seismic Services, Inc. 1st<br>mtge. 8.28s, 2011                                    | 806,748    |
| 505,000   | Pacific Energy Partners/Pacific<br>Energy Finance Corp. sr. notes<br>7 1/8s, 2014       | 532,775    |
| 266,000   | Parker Drilling Co. company guaranty<br>Ser. B, 10 1/8s, 2009                           | 279,300    |
| 1,065,000 | Peabody Energy Corp. sr. notes<br>5 7/8s, 2016  | 1,059,675  |
| 880,000   | Pemex Project Funding Master Trust<br>company guaranty 8 5/8s, 2022                     | 1,042,800  |
| 795,000   | Petro Geo-Services notes 10s, 2010<br>(Norway)  | 908,288    |
| 1,045,000 | Petronas Capital, Ltd. company<br>guaranty 7 7/8s, 2022 (Malaysia)                      | 1,320,671  |
| 683,000   | Plains Exploration & Production Co.<br>sr. notes 7 1/8s, 2014                           | 749,593    |
| 1,132,000 | Plains Exploration & Production Co.<br>sr. sub. notes 8 3/4s, 2012                      | 1,253,690  |
| 920,000   | Pogo Producing Co. sr. sub. notes<br>Ser. B, 8 1/4s, 2011                               | 984,400    |
| 1,166,000 | Pride sr. notes 7 3/8s, 2014  | 1,282,600  |
| 830,000   | Seabulk International, Inc. company<br>guaranty 9 1/2s, 2013                            | 888,100    |
| 420,000   | Seven Seas Petroleum, Inc. sr. notes<br>Ser. B, 12 1/2s, 2005 (In default)<br>(NON) (F) | 4          |
| 1,273,000 | Star Gas Partners LP/Star Gas<br>Finance Co. sr. notes 10 1/4s, 2013                    | 1,352,563  |
| 460,000   | Stone Energy Corp. 144A sr. sub.<br>notes 6 3/4s, 2014                                  | 449,650    |
| 410,000   | Tengizchevroll Finance Co. 144A sec.<br>notes 6.124s, 2014 (Luxembourg)                 | 414,100    |
| 205,000   | Universal Compression, Inc. sr.<br>notes 7 1/4s, 2010                                   | 216,531    |
| 900,000   | Vintage Petroleum, Inc. sr. notes<br>8 1/4s, 2012                                       | 987,750    |
| 205,000   | Vintage Petroleum, Inc. sr. sub.<br>notes 7 7/8s, 2011                                  | 218,838    |
|           | -----   |            |
|           |   | 38,293,641 |

### Financial (0.7%)

|           |  |           |
|-----------|--|-----------|
| 820,000   | China Development Bank bonds and<br>notes 4 3/4s, 2014         | 810,305   |
| 435,000   | Crescent Real Estate Equities LP<br>notes 7 1/2s, 2007 (R)     | 449,138   |
| 1,075,000 | Crescent Real Estate Equities LP sr.<br>notes 9 1/4s, 2009 (R) | 1,161,000 |
| 1,390,000 | E(a)Trade Finance Corp. 144A sr.<br>notes 8s, 2011             | 1,494,250 |
| 1,679,020 | Finova Group, Inc. notes 7 1/2s,<br>2009                       | 772,349   |
| 1,745,000 | VTB Bank (VTB Capital) 144A notes<br>7 1/2s, 2011 (Luxembourg) | 1,875,875 |
| 760,000   | Western Financial Bank sub. debs.<br>9 5/8s, 2012              | 858,800   |

Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

-----  
7,421,717

Government (0.2%)

-----  
1,626,000 Pemex Project Funding Master Trust  
144A company guaranty 9 1/2s, 2027 2,065,020

Health Care (3.0%)

-----  
486,000 Alderwoods Group, Inc. 144A sr.  
notes 7 3/4s, 2012 521,235  
805,000 AmerisourceBergen Corp. company  
guaranty 7 1/4s, 2012 887,513  
780,000 AmerisourceBergen Corp. sr. notes  
8 1/8s, 2008 861,900  
1,375,000 Ardent Health Services, Inc. sr.  
sub. notes 10s, 2013 1,423,125  
456,000 Community Health Systems, Inc. 144A  
sr. sub. notes 6 1/2s, 2012 456,000  
455,000 Coventry Health Care, Inc. 144A sr.  
notes 5 7/8s, 2012 461,825  
655,000 Elan Finance PLC/Elan Finance Corp.  
144A sr. notes 7 3/4s, 2011  
(Ireland) 684,475  
470,000 Extencicare Health Services, Inc.  
company guaranty 9 1/2s, 2010 521,700  
745,000 Extencicare Health Services, Inc.  
sr. sub. notes 6 7/8s, 2014 754,313  
920,000 HCA, Inc. debs. 7.19s, 2015 959,548  
350,000 HCA, Inc. notes 8.36s, 2024 384,510  
750,000 HCA, Inc. notes 7.69s, 2025 779,934  
1,385,000 HCA, Inc. notes 7s, 2007 1,450,049  
371,000 HCA, Inc. notes 6 3/8s, 2015 373,181  
775,000 HCA, Inc. notes 6 1/4s, 2013 782,568  
364,000 HCA, Inc. notes 5 3/4s, 2014 352,841  
1,365,000 Healthsouth Corp. notes 7 5/8s, 2012 1,371,825  
705,000 Healthsouth Corp. sr. notes 8 1/2s,  
2008 728,794  
340,000 Healthsouth Corp. sr. notes 8 3/8s,  
2011 352,750  
290,000 Healthsouth Corp. sr. notes 7s, 2008 292,538  
340,845 Magellan Health Services, Inc. sr.  
notes Ser. A, 9 3/8s, 2008 367,260  
795,000 MedQuest, Inc. company guaranty  
Ser. B, 11 7/8s, 2012 930,150  
1,170,000 MQ Associates, Inc. sr. disc. notes  
stepped-coupon zero %  
(12 1/4s, 8/15/08), 2012 (STP) 900,900  
1,045,000 Omnicare, Inc. sr. sub. notes  
6 1/8s, 2013 1,029,325  
1,022,000 PacifiCare Health Systems, Inc.  
company guaranty 10 3/4s, 2009 1,154,860  
915,000 Province Healthcare Co. sr. sub.  
notes 7 1/2s, 2013 1,024,800  
390,000 Service Corp. International debs.  
7 7/8s, 2013 417,300  
105,000 Service Corp. International notes  
7.2s, 2006 108,675  
35,000 Service Corp. International notes  
6 7/8s, 2007 36,575  
155,000 Service Corp. International notes

Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|           |   |            |
|-----------|---|------------|
|           | 6 1/2s, 2008  | 159,069    |
| 370,000   | Service Corp. International notes<br>Ser. (a), 7.7s, 2009         | 392,200    |
| 1,085,000 | Service Corp. International/US 144A<br>sr. notes 7s, 2016         | 1,085,000  |
| 1,010,000 | Stewart Enterprises, Inc. notes<br>10 3/4s, 2008                  | 1,089,538  |
| 530,000   | Tenet Healthcare Corp. notes 7 3/8s,<br>2013                      | 487,600    |
| 359,000   | Tenet Healthcare Corp. sr. notes<br>6 1/2s, 2012                  | 319,510    |
| 1,240,000 | Tenet Healthcare Corp. 144A sr.<br>notes 9 7/8s, 2014             | 1,286,500  |
| 311,000   | Tenet Healthcare Corp. 144A sr.<br>notes 9 1/4s, 2015             | 311,000    |
| 1,150,000 | Triad Hospitals, Inc. sr. notes 7s,<br>2012                       | 1,203,188  |
| 992,000   | Triad Hospitals, Inc. sr. sub. notes<br>7s, 2013                  | 1,004,400  |
| 740,000   | Universal Hospital Services, Inc.<br>sr. notes 10 1/8s, 2011      | 765,900    |
| 350,000   | US Oncology, Inc. 144A sr. notes 9s,<br>2012                      | 379,750    |
| 250,000   | US Oncology, Inc. 144A sr. sub.<br>notes 10 3/4s, 2014            | 285,625    |
| 594,000   | Vanguard Health Holding Co. II, LLC<br>sr. sub. notes 9s, 2014    | 635,580    |
| 425,000   | Ventas Realty LP/Capital Corp.<br>company guaranty 9s, 2012 (R)   | 493,000    |
| 243,000   | Ventas Realty LP/Capital Corp. 144A<br>sr. notes 6 5/8s, 2014 (R) | 245,430    |
|           |   | -----      |
|           |   | 30,513,759 |

Technology (1.5%)

|           |  |           |
|-----------|--|-----------|
| 1,218,000 | Advanced Micro Devices, Inc. 144A<br>sr. notes 7 3/4s, 2012                      | 1,214,955 |
| 639,000   | AMI Semiconductor, Inc. company<br>guaranty 10 3/4s, 2013                        | 747,630   |
| 1,960,000 | Celestica, Inc. sr.sub. notes<br>7 7/8s, 2011 (Canada)                           | 2,043,300 |
| 1,925,000 | Freescale Semiconductor, Inc. sr.<br>notes Ser. B, 7 1/8s, 2014                  | 2,076,594 |
| 305,000   | Iron Mountain, Inc. company guaranty<br>8 5/8s, 2013                             | 322,156   |
| 770,000   | Iron Mountain, Inc. sr. sub. notes<br>8 1/4s, 2011                               | 793,100   |
| 100,000   | Lucent Technologies, Inc. debs.<br>6 1/2s, 2028                                  | 89,000    |
| 1,435,000 | Lucent Technologies, Inc. debs.<br>6.45s, 2029                                   | 1,280,738 |
| 465,000   | SCG Holding Corp. 144A notes zero %,<br>2011                                     | 662,625   |
| 855,000   | Seagate Technology Hdd Holdings<br>company guaranty 8s, 2009 (Cayman<br>Islands) | 919,125   |
| 1,744,000 | UGS Corp. 144A sr. sub. notes 10s,<br>2012                                       | 1,944,560 |
| 1,075,000 | Xerox Capital Trust I company<br>guaranty 8s, 2027                               | 1,120,688 |
| 555,000   | Xerox Corp. notes Ser. MTN, 7.2s,  |           |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|                          |   |            |
|--------------------------|---|------------|
|                          | 2016  | 585,525    |
| 1,565,000                | Xerox Corp. sr. notes 7 5/8s, 2013  | 1,686,288  |
| 255,000                  | Xerox Corp. sr. notes 6 7/8s, 2011  | 269,025    |
|                          |   | -----      |
|                          |   | 15,755,309 |
| Transportation (0.5%)    |   |            |
|                          |   | -----      |
| 760,000                  | American Airlines, Inc. pass-through certificates Ser. 01-1, 6.817s, 2011 | 718,200    |
| 1,075,000                | Calair, LLC/Calair Capital Corp. company guaranty 8 1/8s, 2008            | 876,125    |
| 1,270,000                | Kansas City Southern Railway Co. company guaranty 9 1/2s, 2008            | 1,422,400  |
| 260,000                  | Kansas City Southern Railway Co. company guaranty 7 1/2s, 2009            | 270,400    |
| 1,037,000                | Navistar International Corp. sr. notes 7 1/2s, 2011                       | 1,106,998  |
| 322,492                  | NWA Trust sr. notes Ser. A, 9 1/4s, 2012                                  | 338,617    |
| 260,000                  | Travel Centers of America, Inc. company guaranty 12 3/4s, 2009            | 292,500    |
|                          |   | -----      |
|                          |   | 5,025,240  |
| Utilities & Power (3.8%) |   |            |
|                          |   | -----      |
| 77,000                   | AES Corp. (The) sr. notes 8 7/8s, 2011                                    | 86,433     |
| 43,000                   | AES Corp. (The) sr. notes 8 3/4s, 2008                                    | 46,870     |
| 1,085,000                | AES Corp. (The) 144A sec. notes 9s, 2015                                  | 1,226,050  |
| 1,530,000                | AES Corp. (The) 144A sec. notes 8 3/4s, 2013                              | 1,713,600  |
| 740,000                  | Allegheny Energy Supply 144A bonds 8 1/4s, 2012                           | 823,250    |
| 475,000                  | Allegheny Energy Supply 144A sec. notes 10 1/4s, 2007                     | 532,000    |
| 1,190,000                | CMS Energy Corp. sr. notes 8.9s, 2008                                     | 1,304,538  |
| 315,000                  | CMS Energy Corp. sr. notes 8 1/2s, 2011                                   | 351,619    |
| 250,000                  | CMS Energy Corp. sr. notes 7 3/4s, 2010                                   | 269,688    |
| 536,000                  | DPL, Inc. bonds 8 1/8s, 2031  | 609,039    |
| 875,000                  | DPL, Inc. sr. notes 6 7/8s, 2011  | 948,932    |
| 425,000                  | Dynegy Holdings, Inc. sr. notes 6 7/8s, 2011                              | 395,250    |
| 1,990,000                | Dynegy Holdings, Inc. 144A sec. notes 10 1/8s, 2013                       | 2,208,900  |
| 525,000                  | Dynegy-Roseton Danskamme company guaranty Ser. A, 7.27s, 2010             | 530,250    |
| 800,000                  | Dynegy-Roseton Danskamme company guaranty Ser. B, 7.67s, 2016             | 776,000    |
| 370,000                  | Edison Mission Energy sr. notes 10s, 2008                                 | 427,350    |
| 15,000                   | Edison Mission Energy sr. notes 9 7/8s, 2011                              | 17,531     |
| 750,000                  | El Paso Corp. sr. notes 8.05s, 2030                                       | 738,750    |
| 560,000                  | El Paso Corp. sr. notes 7 3/8s, 2012                                      | 564,200    |



## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|           |   |           |
|-----------|---|-----------|
| 525,000   | El Paso Corp. sr. notes Ser. MTN,<br>7 3/4s, 2032                               | 510,563   |
| 265,000   | El Paso Natural Gas Co. debs.<br>8 5/8s, 2022                                   | 307,400   |
| 1,390,000 | El Paso Production Holding Co.<br>company guaranty 7 3/4s, 2013                 | 1,445,600 |
| 910,000   | Ferrellgas Partners LP/Ferrellgas<br>Partners Finance sr. notes 6 3/4s,<br>2014 | 905,450   |
| 1,135,000 | FirstEnergy Corp. notes Ser. B,<br>6.45s, 2011                                  | 1,231,708 |
| 300,000   | Kansas Gas & Electric debs. 8.29s,<br>2016                                      | 309,104   |
| 1,765,000 | Midwest Generation, LLC sec. sr.<br>notes 8 3/4s, 2034                          | 1,972,388 |
| 1,180,000 | Mission Energy Holding Co. sec.<br>notes 13 1/2s, 2008                          | 1,472,050 |
| 560,000   | Monongahela Power Co. 144A 1st.<br>mtge. 6.7s, 2014                             | 628,600   |
| 739,000   | Nevada Power Co. 2nd mtge. 9s, 2013   | 853,545   |
| 330,000   | Nevada Power Co. 144A general ref.<br>mtge. 5 7/8s, 2015                        | 330,825   |
| 451,000   | Northwest Corp. 144A sec. notes<br>5 7/8s, 2014                                 | 464,130   |
| 1,400,000 | Northwest Pipeline Corp. company<br>guaranty 8 1/8s, 2010                       | 1,545,250 |
| 90,000    | Northwestern Corp. debs. 6.95s, 2028<br>(In default) (NON) (F)                  | --        |
| 160,000   | Northwestern Corp. notes 8 3/4s,<br>2012 (In default) (NON) (F)                 | --        |
| 2,186,000 | NRG Energy, Inc. 144A sr. sec. notes<br>8s, 2013                                | 2,355,415 |
| 805,000   | Orion Power Holdings, Inc. sr. notes<br>12s, 2010                               | 1,006,250 |
| 850,000   | PSEG Energy Holdings, Inc. notes<br>7 3/4s, 2007                                | 887,188   |
| 670,000   | SEMCO Energy, Inc. sr. notes 7 3/4s,<br>2013                                    | 723,561   |
| 210,000   | Sierra Pacific Power Co. general<br>ref. mtge. 6 1/4s, 2012                     | 218,400   |
| 1,285,000 | Sierra Pacific Resources sr. notes<br>8 5/8s, 2014                              | 1,427,956 |
| 130,000   | Southern California Edison Co. notes<br>6 3/8s, 2006                            | 133,545   |
| 440,000   | Teco Energy, Inc. notes 10 1/2s,<br>2007  | 504,900   |
| 250,000   | Teco Energy, Inc. notes 7.2s, 2011  | 271,563   |
| 400,000   | Teco Energy, Inc. notes 7s, 2012  | 432,000   |
| 105,000   | Tennessee Gas Pipeline Co. debs. 7s,<br>2028                                    | 106,050   |
| 555,000   | Tennessee Gas Pipeline Co. unsecd.<br>notes 7 1/2s, 2017                        | 613,275   |
| 826,000   | Texas Genco LLC/Texas Genco<br>Financing Corp. 144A sr. notes<br>6 7/8s, 2014   | 854,910   |
| 135,000   | Transcontinental Gas Pipeline Corp.<br>debs. 7 1/4s, 2026                       | 149,175   |
| 1,460,000 | Utilicorp Canada Finance Corp.<br>company guaranty 7 3/4s, 2011<br>(Canada)     | 1,511,100 |
| 510,000   | Utilicorp United, Inc. sr. notes<br>9.95s, 2011                                 | 574,388   |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|   |   |               |
|---|---|---------------|
| 547,000   | Western Resources, Inc. sr. notes<br>9 3/4s, 2007                                     | 611,273       |
| 200,000   | Williams Cos., Inc. (The) notes<br>8 3/4s, 2032                                       | 240,000       |
| 210,000   | Williams Cos., Inc. (The) notes<br>8 1/8s, 2012                                       | 241,500       |
| 755,000   | Williams Cos., Inc. (The) notes<br>7 5/8s, 2019                                       | 838,050       |
| 334,976   | York Power Funding 144A notes 12s,<br>2007 (Cayman Islands) (In default)<br>(NON) (F) | 34            |
|   |   | 39,247,396    |
|   | Total Corporate bonds and notes<br>(cost \$355,214,506)                               | \$372,366,550 |
| U.S. government and agency mortgage obligations (15.8%) (a) |   |               |
| Principal amount  |   | Value         |
|   | Federal Home Loan Mortgage<br>Corporation   |               |
| \$7,500,000   | 6 1/2s, TBA, February 1, 2035   | \$7,852,734   |
| 9,200,000   | 6 1/2s, TBA, March 1, 2035  | 9,616,875     |
| 18,938  | 7 1/2s, March 1, 2026   | 20,430        |
| 40,803,336  | 6 1/2s, with due dates from July 1,<br>2028 to September 1, 2034                      | 42,767,407    |
|   | Federal National Mortgage<br>Association Pass-Through<br>Certificates                 |               |
| 118,360   | 7 1/2s, with due dates from October<br>1, 2022 to January 1, 2030                     | 127,089       |
| 10,767,379  | 6 1/2s, with due dates from April 1,<br>2024 to January 1, 2035                       | 11,286,019    |
| 99,218  | 6 1/2s, April 1, 2016   | 104,299       |
| 47,900,000  | 6 1/2s, TBA, February 1, 2035   | 50,122,857    |
| 203,855   | 5s, June 1, 2019  | 207,398       |
| 3,100,000   | 5s, TBA, February 1, 2020   | 3,148,922     |
| 4,912,756   | 4 1/2s, with due dates from August<br>1, 2033 to June 1, 2034                         | 4,805,096     |
| 32,600,000  | 4 1/2s, TBA, February 1, 2020   | 32,536,329    |
|   | Total U.S. government and agency<br>mortgage obligations<br>(cost \$162,259,306)      | \$162,595,455 |
| U.S. treasury obligations (13.1%) (a)                       |   |               |
| Principal amount  |   | Value         |
|   | U.S. Treasury Bonds   |               |
| \$21,600,000  | 7 1/2s, November 15, 2016   | \$27,891,000  |
| 33,514,000  | 6 1/4s, May 15, 2030  | 41,395,025    |
| 12,260,000  | 6 1/4s, August 15, 2023   | 14,704,338    |
|   | U.S. Treasury Notes   |               |
| 22,594,000  | 4 1/4s, August 15, 2013   | 22,876,425    |
| 13,910,000  | 3 1/4s, August 15, 2008   | 13,791,548    |
| 6,273,000   | 1 1/8s, June 30, 2005   | 6,234,774     |
| 20,460,000  | U.S. Treasury Strip zero %, November<br>15, 2024                                      | 7,948,624     |
|   | Total U.S. treasury obligations<br>(cost \$127,539,353)                               | \$134,841,734 |

Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

| Foreign government bonds and notes (11.3%) (a) |           |  | Value       |
|--|-----------|--|-------------|
| Principal amount                               |           |  |             |
| EUR  | 6,000,000 | Austria (Republic of) 144A notes<br>Ser. EMTN, 3.8s, 2013                                | \$8,016,692 |
|  | \$700,000 | Brazil (Federal Republic of) bonds<br>10 1/2s, 2014                                      | 813,750     |
|  | 2,415,000 | Brazil (Federal Republic of) bonds<br>8 7/8s, 2019                                       | 2,493,488   |
|  | 2,465,000 | Brazil (Federal Republic of) notes<br>8 3/4s, 2025                                       | 2,430,737   |
|  | 2,000,000 | Brazil (Federal Republic of) unsub.<br>notes 11s, 2040                                   | 2,318,000   |
|  | 1,300,000 | Bulgaria (Republic of) 144A bonds<br>8 1/4s, 2015  | 1,644,500   |
| CAD  | 2,725,000 | Canada (Government of) bonds 5 1/2s,<br>2010   | 2,384,512   |
| CAD  | 930,000   | Canada (Government of) bonds<br>Ser. WL43, 5 3/4s, 2029                                  | 858,779     |
|  | \$560,000 | Colombia (Republic of) bonds<br>10 3/8s, 2033  | 635,600     |
|  | 1,285,000 | Colombia (Republic of) bonds<br>Ser. NOV, 9 3/4s, 2009                                   | 1,444,340   |
|  | 1,480,000 | Colombia (Republic of) notes<br>10 3/4s, 2013  | 1,726,420   |
|  | 460,000   | Dominican (Republic of) notes 9.04s,<br>2013   | 416,300     |
|  | 2,085,000 | Ecuador (Republic of) bonds<br>stepped-coupon Ser. REGS, 7s (8s,<br>8/15/05), 2030 (STP) | 1,928,625   |
|  | 395,000   | El Salvador (Republic of) bonds<br>8 1/4s, 2032  | 403,888     |
| EUR  | 1,845,000 | France (Government of) bonds 5 3/4s,<br>2032   | 3,086,526   |
| EUR  | 4,830,000 | France (Government of) bonds 5 1/2s,<br>2010   | 7,091,793   |
| EUR  | 9,000,000 | France (Government of) bonds 4s,<br>2013   | 12,240,881  |
| EUR  | 1,080,000 | France (Government of) deb. 4s, 2009   | 1,473,833   |
| EUR  | 7,250,000 | Germany (Federal Republic of) bonds<br>Ser. 97, 6s, 2007                                 | 10,210,347  |
| EUR  | 6,340,000 | Germany (Federal Republic of) bonds<br>Ser. 97, 6s, 2007                                 | 8,813,082   |
| EUR  | 1,875,000 | Greece (Hellenic Republic of) bonds<br>3 1/2s, 2008                                      | 2,500,817   |
|  | \$645,000 | Indonesia (Republic of) FRN 3.205s,<br>2005  | 638,550     |
|  | 260,000   | Indonesia (Republic of) FRN 2.795s,<br>2006  | 256,100     |
|  | 110,000   | Indonesia (Republic of) 144A sr.<br>notes 6 3/4s, 2014                                   | 112,200     |
|  | 925,000   | Intelsat Bermuda, Ltd. 144A sr.<br>notes 8 5/8s, 2015                                    | 963,156     |
|  | 520,000   | Peru (Republic of) bonds 8 3/4s,<br>2033   | 556,400     |
|  | 1,735,000 | Philippines (Republic of) bonds<br>9 1/2s, 2030  | 1,724,156   |
|  | 1,930,000 | Philippines (Republic of) bonds<br>8 3/8s, 2011  | 1,981,145   |
|  | 8,662,500 | Russia (Federation of) 144A unsub.<br>stepped-coupon 5s (7 1/2s,                         |             |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|                |  |               |
|----------------|--|---------------|
|                | 3/31/07), 2030 (STP)   | 9,095,625     |
| 1,335,000      | Russia (Ministry of Finance) deb.<br>Ser. V, 3s, 2008            | 1,246,623     |
| 1,195,000      | South Africa (Republic of) notes<br>7 3/8s, 2012                 | 1,368,275     |
| 1,210,000      | South Africa (Republic of) notes<br>6 1/2s, 2014                 | 1,327,975     |
| SEK 37,600,000 | Sweden (Government of) bonds Ser.<br>3101, 4s, 2008              | 6,719,304     |
| SEK 43,075,000 | Sweden (Government of) debts. Ser.<br>1041, 6 3/4s, 2014         | 7,642,209     |
| \$3,610,000    | United Mexican States bonds<br>Ser. MTN, 8.3s, 2031              | 4,375,320     |
| 2,875,000      | United Mexican States notes 6 5/8s,<br>2015                      | 3,117,938     |
| 570,000        | Venezuela (Republic of) bonds<br>9 3/8s, 2034                    | 588,240       |
| 225,000        | Venezuela (Republic of) notes<br>10 3/4s, 2013                   | 259,425       |
| 495,000        | Venezuela (Republic of) notes<br>8 1/2s, 2014                    | 503,663       |
| 1,020,000      | Venezuela (Republic of) unsub. bonds<br>5 3/8s, 2010             | 938,400       |
|                |  | -----         |
|                | Total Foreign government bonds and<br>notes (cost \$100,078,837) | \$116,347,614 |

### Asset-backed securities (9.9%) (a)

|                  |   | Value     |
|------------------|---|-----------|
| Principal amount |   | -----     |
| \$507,774        | ABSC NIMS Trust 144A Ser. 03-HE5,<br>Class A, 7s, 2033<br>Aegis Asset Backed Securities Trust<br>144A | \$509,805 |
| 100,138          | Ser. 04-1N, Class Note, 5s, 2034  | 100,138   |
| 255,730          | Ser. 04-2N, Class N1, 4 1/2s, 2034  | 255,130   |
| 218,898          | Ser. 04-4N, Class Note, 5s, 2034  | 219,035   |
| 427,000          | Ameriquest Finance NIM Trust 144A<br>Ser. 04-RN9, Class N2, 10s, 2034                                 | 395,530   |
| 4,491,818        | Amortizing Residential Collateral<br>Trust Ser. 02-BC1, Class A,<br>IO (Interest only), 6s, 2005      | 17,921    |
| 54,558           | AQ Finance NIM Trust 144A Ser.<br>03-N9A, Class Note, 7.385s, 2033<br>Arcap REIT, Inc. 144A           | 54,662    |
| 535,000          | Ser. 03-1A, Class E, 7.11s, 2038  | 570,109   |
| 304,000          | Ser. 04-1A, Class E, 6.42s, 2039<br>Argent NIM Trust 144A   | 310,033   |
| 44,689           | Ser. 03-N6, Class A, 6.4s, 2034<br>(Cayman Islands)   | 44,801    |
| 61,553           | Ser. 04-WN2, Class A, 4.55s, 2034<br>(Cayman Islands)   | 61,553    |
|                  | Asset Backed Funding Corp. NIM Trust<br>144A  |           |
| 5,538            | Ser. 03-WF1, Class N1, 8.35s, 2032  | 5,538     |
| 220,000          | Ser. 04-0PT1, Class N2, 6.9s, 2033<br>(Cayman Islands)  | 219,999   |
| 249,507          | Ser. 04-0PT5, Class N1, 4 1/2s, 2034<br>(Cayman Islands)  | 249,507   |
| 350,566          | Ser. 04-FF1, Class N1, 5s, 2034<br>(Cayman Islands)   | 349,413   |
| 27,000           | Ser. 04-FF1, Class N2, 5s, 2034   |           |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|            |   |           |
|------------|---|-----------|
|            | (Cayman Islands)  | 24,886    |
| 356,000    | Ser. 04-HE1, Class N2, 8s, 2034<br>(Cayman Islands)   | 345,895   |
| 424,974    | Aviation Capital Group Trust 144A<br>FRB Ser. 03-2A, Class G1, 3.2s, 2033   | 425,605   |
| 480,000    | Bank One Issuance Trust FRB Ser.<br>03-C4, Class C4, 3.51s, 2011  | 489,563   |
| 23,554,107 | Bayview Financial Acquisition Trust<br>Ser. 03-X, Class A, IO, 0.9s, 2006<br>Bear Stearns Asset Backed Securities<br>NIM Trust 144A | 409,735   |
| 267,832    | Ser. 04-HE10, Class A1, 4 1/4s, 2034<br>(Cayman Islands)  | 267,832   |
| 387,479    | Ser. 04-HE6, Class A1, 5 1/4s, 2034<br>(Cayman Islands)   | 388,145   |
| 356,713    | Ser. 04-HE7N, Class A1, 5 1/4s, 2034<br>(Cayman Islands)  | 357,382   |
| 352,000    | Bear Stearns Asset Backed<br>Securities, Inc. Ser. 04-FR3, Class<br>M6, 5.668s, 2034  | 352,000   |
|            | Bombardier Capital Mortgage<br>Securitization Corp.   |           |
| 903,189    | Ser. 00-A, Class A4, 8.29s, 2030  | 758,678   |
| 1,105,472  | Ser. 99-B, Class A3, 7.18s, 2015  | 851,214   |
| 1,149,109  | Ser. 99-B, Class A4, 7.3s, 2016   | 892,054   |
| 259,163    | Bombardier Capital Mortgage<br>Securitization Corp. FRB Ser.<br>00-A, Class A1, 2.64s, 2030   | 132,510   |
|            | CARSSX Finance, Ltd. 144A   |           |
| 227,474    | FRB Ser. 04-AA, Class B3, 5.83s,<br>2011 (Cayman Islands)   | 232,459   |
| 831,685    | FRB Ser. 04-AA, Class B4, 7.98s,<br>2011 (Cayman Islands)   | 853,744   |
| 490,000    | Chase Credit Card Master Trust FRB<br>Ser. 03-3, Class C, 3.56s, 2010   | 501,865   |
| 37,560     | Chase Funding Net Interest Margin<br>144A Ser. 03-4A, Class Note,<br>6 3/4s, 2036   | 37,654    |
|            | CHEC NIM Ltd., 144A   |           |
| 407,566    | Ser. 04-2, Class N1, 4.45s, 2034<br>(Cayman Islands)  | 407,543   |
| 132,000    | Ser. 04-2, Class N2, 8s, 2034<br>(Cayman Islands)   | 131,246   |
| 81,000     | Ser. 04-2, Class N3, 8s, 2034<br>(Cayman Islands)   | 69,660    |
|            | Conseco Finance Securitizations<br>Corp.  |           |
| 425,579    | Ser. 00-2, Class A4, 8.48s, 2030  | 427,112   |
| 2,765,461  | Ser. 00-4, Class A4, 7.73s, 2031  | 2,699,185 |
| 340,000    | Ser. 00-4, Class A5, 7.97s, 2032  | 293,182   |
| 4,814,000  | Ser. 00-4, Class A6, 8.31s, 2032  | 4,262,006 |
| 1,111,634  | Ser. 00-6, Class M2, 8.2s, 2032   | 111,163   |
| 378,000    | Ser. 01-4, Class A4, 7.36s, 2033  | 388,130   |
| 1,230,000  | Ser. 01-1, Class A5, 6.99s, 2032  | 1,176,208 |
| 18,000     | Ser. 01-3, Class A3, 5.79s, 2033  | 18,356    |
| 4,335,000  | Ser. 01-3, Class A4, 6.91s, 2033  | 4,332,399 |
| 400,000    | Ser. 01-3, Class M2, 7.44s, 2033  | 66,000    |
| 1,064,829  | Ser. 01-4, Class B1, 9.4s, 2033   | 143,752   |
| 2,987,493  | Ser. 02-1, Class A, 6.681s, 2033  | 3,111,574 |
| 414,000    | FRB Ser. 01-4, Class M1, 4.03s, 2033  | 174,584   |
| 1,100,000  | Consumer Credit Reference IDX<br>Securities 144A FRB Ser. 02-1A,  |           |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|               |  |           |
|---------------|--|-----------|
|               | Class A, 4.521s, 2007  | 1,117,270 |
|               | Countrywide Asset Backed<br>Certificates 144A  |           |
| 1,807,343     | Ser. 04-6N, Class N1, 6 1/4s, 2035   | 1,807,343 |
| 258,088       | Ser. 04-BC1N, Class Note, 5 1/2s,<br>2035  | 257,602   |
| 603,000       | Crest, Ltd. 144A Ser. 03-2A, Class<br>E2, 8s, 2038                                     | 608,849   |
| 722,000       | CS First Boston Mortgage Securities<br>Corp. 144A Ser. 05-6N, Class<br>A, 5 1/4s, 2035 | 719,574   |
| 2,500,000     | First Chicago Lennar Trust 144A Ser.<br>97-CHL1, Class E, 7.863s, 2039                 | 2,598,047 |
| 807,786       | First Consumers Master Trust FRN<br>Ser. 01-A, Class A, 2.79s, 2008                    | 803,747   |
|               | First Franklin NIM Trust 144A  |           |
| 172,597       | Ser. 03-FF3A, Class A, 6 3/4s, 2033  | 171,927   |
| 397,999       | Ser. 04-FF10, Class N1, 4.45s, 2034<br>(Cayman Islands)                                | 397,973   |
|               | Fremont NIM Trust 144A   |           |
| 14,172        | Ser. 03-B, Class Note, 5.65s, 2033   | 14,189    |
| 86,692        | Ser. 04-3, Class B, 7 1/2s, 2034   | 84,984    |
| 333,142       | Ser. 04-A, Class Note, 4 3/4s, 2034  | 332,309   |
| 602,581       | Fremont Trust 144A Ser. 04-3, Class<br>A, 4 1/2s, 2034                                 | 601,556   |
|               | Granite Mortgages PLC  |           |
| 490,000       | FRB Ser. 02-1, Class 1C, 3.97s, 2042<br>(United Kingdom)                               | 497,693   |
| EUR 2,005,000 | FRB Ser. 03-2, Class 2C1, 5.2s, 2043<br>(United Kingdom)                               | 2,784,489 |
| GBP 1,505,000 | FRB Ser. 03-2, Class 3C, 6.42s, 2043<br>(United Kingdom)                               | 2,940,458 |
|               | Green Tree Financial Corp.   |           |
| \$517,182     | Ser. 94-4, Class B2, 8.6s, 2019  | 367,716   |
| 1,251,681     | Ser. 94-6, Class B2, 9s, 2020  | 1,016,866 |
| 525,430       | Ser. 95-4, Class B1, 7.3s, 2025  | 495,546   |
| 509,436       | Ser. 95-8, Class B1, 7.3s, 2026  | 383,911   |
| 187,270       | Ser. 95-F, Class B2, 7.1s, 2021  | 171,118   |
| 545,000       | Ser. 96-8, Class M1, 7.85s, 2027   | 482,216   |
| 135,592       | Ser. 99-3, Class A5, 6.16s, 2031   | 136,925   |
| 1,739,000     | Ser. 99-5, Class A5, 7.86s, 2030<br>Greenpoint Manufactured Housing                    | 1,560,295 |
| 3,117,333     | Ser. 00-3, Class IA, 8.45s, 2031   | 3,032,937 |
| 50,000        | Ser. 99-5, Class A4, 7.59s, 2028   | 52,780    |
| 1,663,000     | GS Auto Loan Trust 144A Ser. 04-1,<br>Class D, 5s, 2011<br>GSAMP Trust 144A            | 1,638,221 |
| 54,229        | Ser. 03-HE1N, Class Note, 7 1/4s,<br>2033  | 54,262    |
| 164,311       | Ser. 04-FM1N, Class Note, 5 1/4s,<br>2033  | 164,196   |
| 187,980       | Ser. 04-HE1N, Class N1, 5s, 2034   | 187,642   |
| 1,898,317     | Ser. 04-NIM1, Class N1, 5 1/2s, 2034   | 1,897,367 |
| 732,000       | Ser. 04-NIM1, Class N2, zero %, 2034   | 541,534   |
| 1,847,818     | Ser. 04-NIM2, Class N, 4 7/8s, 2034  | 1,839,872 |
| 100,538       | Ser. 04-RENM, Class Note, 5 1/2s,<br>2032  | 100,538   |
| 267,205       | Ser. 04-SE2N, Class Note, 5 1/2s,<br>2034  | 267,071   |
|               | Holmes Financing PLC FRB   |           |
| 331,000       | Ser. 8, Class 2C, 3.38s, 2040<br>(United Kingdom)                                      | 332,490   |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|               |   |           |
|---------------|---|-----------|
| 300,000       | Ser. 4, Class 3C, 3.96s, 2040<br>(United Kingdom)<br>Home Equity Asset Trust 144A   | 303,840   |
| 112,898       | Ser. 02-5N, Class A, 8s, 2033   | 112,898   |
| 3,318         | Ser. 03-4N, Class A, 8s, 2033   | 3,318     |
| 137,011       | Ser. 03-7N, Class A, 5 1/4s, 2034   | 137,096   |
| 97,493        | Ser. 04-1N, Class A, 5s, 2034   | 97,493    |
| 439,865       | Ser. 04-5N, Class A, 5 1/4s, 2034<br>LNR CDO, Ltd. 144A   | 440,387   |
| 1,755,000     | FRB Ser. 02-1A, Class FFL, 5.27s,<br>2037 (Cayman Islands)  | 1,755,000 |
| 1,070,000     | FRB Ser. 03-1A, Class EFL, 5.52s,<br>2036 (Cayman Islands)<br>Long Beach Asset Holdings Corp. NIM<br>Trust 144A                             | 1,161,164 |
| 8,418         | Ser. 03-2, Class N1, 7.627s, 2033   | 8,418     |
| 4,482         | Ser. 03-4, Class N1, 6.535s, 2033   | 4,482     |
| 247,537       | Ser. 04-2, Class N1, 4.94s, 2034  | 247,537   |
| 353,635       | Ser. 04-5, Class Note, 5s, 2034   | 354,413   |
| 2,369,228     | Long Beach Mortgage Loan Trust Ser.<br>04-3, Class S1, IO, 4 1/2s, 2006   | 122,904   |
| GBP 1,200,000 | Lothian Mortgages PLC 144A FRN Ser.<br>3A, Class D, 5.67s, 2039 (United<br>Kingdom)   | 2,263,080 |
| \$1,457,253   | Madison Avenue Manufactured Housing<br>Contract FRB Ser. 02-A, Class B1,<br>5.78s, 2032<br>Master Asset Backed Securities NIM<br>Trust 144A | 801,489   |
| 200,000       | Ser. 04-CI5, Class N2, 10s, 2034  | 199,800   |
| 310,531       | Ser. 04-HE1, Class A, 5 1/4s, 2034  | 310,500   |
| 490,000       | MBNA Credit Card Master Note Trust<br>FRN Ser. 03-C5, Class C5, 3.66s,<br>2010  | 500,782   |
| 82,957        | Merrill Lynch Mortgage Investors,<br>Inc. Ser. 03-WM3N, Class N1, 8s,<br>2005<br>Merrill Lynch Mortgage Investors,<br>Inc. 144A             | 83,172    |
| 200,026       | Ser. 04-FM1N, Class N1, 5s, 2035  | 199,146   |
| 164,464       | Ser. 04-HE1N, Class N1, 5s, 2006  | 163,313   |
| 236,886       | Mid-State Trust Ser. 11, Class B,<br>8.221s, 2038   | 230,558   |
| 303,000       | Morgan Stanley ABS Capital I FRB<br>Ser. 04-HE8, Class B3, 5.73s, 2034  | 305,996   |
| 35,134        | Morgan Stanley ABS Capital I 144A<br>Ser. 04-NC2N, Class Note, 6 1/4s,<br>2033  | 35,345    |
| 240,000       | Morgan Stanley Auto Loan Trust 144A<br>Ser. 04-HB2, Class E, 5s, 2012<br>Morgan Stanley Dean Witter Capital I                               | 232,575   |
| 156,114       | FRN Ser. 01-NC3, Class B1, 4.98s,<br>2031   | 154,635   |
| 419,893       | FRN Ser. 01-NC4, Class B1, 5.03s,<br>2032   | 416,499   |
| 97,079        | New Century Mortgage Corp. NIM Trust<br>144A Ser. 03-B, Class Note, 6 1/2s,<br>2033   | 97,352    |
| 132,576       | Novastar NIM Trust 144A Ser. 04-N1,<br>Class Note, 4.458s, 2034<br>Oakwood Mortgage Investors, Inc.   | 132,576   |
| 1,451,000     | Ser. 00-D, Class A4, 7.4s, 2030   | 948,083   |

Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|               |   |           |
|---------------|---|-----------|
| 1,990,970     | Ser. 01-C, Class A2, 5.92s, 2017  | 1,254,710 |
| 982,969       | Ser. 01-C, Class A4, 7.405s, 2030   | 684,933   |
| 310,727       | Ser. 01-D, Class A2, 5.26s, 2019  | 240,099   |
| 1,196,000     | Ser. 01-D, Class A4, 6.93s, 2031  | 945,677   |
| 2,228,129     | Ser. 01-E, Class A2, 5.05s, 2019  | 1,824,628 |
| 662,886       | Ser. 02-A, Class A2, 5.01s, 2020  | 558,084   |
| 627,000       | Ser. 02-B, Class A4, 7.09s, 2032  | 564,300   |
| 2,692,813     | Ser. 02-C, Class A1, 5.41s, 2032  | 2,393,103 |
| 1,074,358     | Ser. 99-B, Class A4, 6.99s, 2026  | 973,804   |
| 1,928,159     | Ser. 99-D, Class A1, 7.84s, 2029  | 1,829,437 |
| 535,920       | Oakwood Mortgage Investors, Inc.<br>144A Ser. 01-B, Class A4, 7.21s,<br>2030                  | 510,785   |
| 683,000       | Ocean Star PLC 144A FRB Ser. 04-A,<br>Class E, 8.606s, 2018 (Ireland)                         | 683,000   |
| 47,470        | Option One Mortgage Securities Corp.<br>NIM Trust 144A Ser. 03-5, Class<br>Note, 6.9s, 2033   | 47,708    |
| 100,000       | Park Place Securities NIM Trust 144A<br>Ser. 04-WCW2, Class D, 7.387s, 2034                   | 100,000   |
| 279,835       | Pass-Through Amortizing Credit Card<br>Trust Ser. 02-1A, Class A4FL, 7.98s,<br>2012           | 280,283   |
| 145,000       | People's Choice Net Interest Margin<br>Note 144A Ser. 04-2, Class B, 5s,<br>2034              | 131,370   |
| 380,000       | Permanent Financing PLC FRB<br>Ser. 1, Class 3C, 3.66s, 2042<br>(United Kingdom)              | 383,648   |
| 490,000       | Ser. 3, Class 3C, 3.61s, 2042<br>(United Kingdom)   | 496,664   |
| GBP 1,251,000 | Ser. 6, Class 3C, 5.54s, 2042<br>(United Kingdom)   | 2,359,261 |
| \$1,848,000   | Providian Gateway Master Trust Ser.<br>02, Class B, zero %, 2006                              | 1,734,732 |
| 2,977,378     | Residential Asset Mortgage Products,<br>Inc. Ser. 03-RZ1, Class A,<br>IO, 5 3/4s, 2005        | 61,212    |
| 659,709       | Residential Asset Securities Corp.<br>144A Ser. 04-N10B, Class A1, 5s,<br>2034                | 659,709   |
| 332,714       | Rural Housing Trust Ser. 87-1, Class<br>D, 6.33s, 2026  | 341,448   |
| 333,585       | SAIL Net Interest Margin Notes 144A<br>Ser. 03-10A, Class A, 7 1/2s, 2033<br>(Cayman Islands) | 335,253   |
| 138,684       | Ser. 03-12A, Class A, 7.35s, 2033<br>(Cayman Islands)   | 140,071   |
| 107,171       | Ser. 03-3, Class A, 7 3/4s, 2033<br>(Cayman Islands)  | 107,975   |
| 46,133        | Ser. 03-4, Class A, 7 1/2s, 2033<br>(Cayman Islands)  | 46,082    |
| 233,038       | Ser. 03-5, Class A, 7.35s, 2033<br>(Cayman Islands)   | 232,970   |
| 79,693        | Ser. 03-6A, Class A, 7s, 2033<br>(Cayman Islands)   | 79,693    |
| 189,888       | Ser. 03-7A, Class A, 7s, 2033<br>(Cayman Islands)   | 188,479   |
| 43,934        | Ser. 03-8A, Class A, 7s, 2033<br>(Cayman Islands)   | 43,713    |
| 122,098       | Ser. 03-9A, Class A, 7s, 2033<br>(Cayman Islands)   | 121,463   |



Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|            |   |               |
|------------|---|---------------|
| 215,091    | Ser. 03-BC2A, Class A, 7 3/4s, 2033<br>(Cayman Islands)   | 214,466       |
| 1,097,590  | Ser. 04-10A, Class A, 5s, 2034<br>(Cayman Islands)  | 1,098,029     |
| 553,161    | Ser. 04-2A, Class A, 5 1/2s, 2034<br>(Cayman Islands)   | 553,161       |
| 677,328    | Ser. 04-4A, Class A, 5s, 2034<br>(Cayman Islands)   | 676,312       |
| 179,523    | Ser. 04-7A, Class A, 4 3/4s, 2034<br>(Cayman Islands)   | 179,274       |
| 44,852     | Ser. 04-7A, Class B, 6 3/4s, 2034<br>(Cayman Islands)   | 44,107        |
| 1,065,573  | Ser. 04-8A, Class A, 5s, 2034<br>(Cayman Islands)   | 1,065,573     |
| 274,100    | Ser. 04-8A, Class B, 6 3/4s, 2034<br>(Cayman Islands)   | 267,946       |
|            | SAIL Net Interest Margin Notes 144A   |               |
| 376,748    | Ser. 04-AA, Class A, 4 1/2s, 2034<br>(Cayman Islands)   | 375,429       |
|            | Sasco Net Interest Margin Trust 144A  |               |
| 102,399    | Ser. 03-AM1, Class A, 7 3/4s, 2033<br>(Cayman Islands)  | 102,115       |
| 381,625    | Ser. 03-BC1, Class B, zero %, 2033  | 324,381       |
| 87,922     | Saxon Net Interest Margin Trust 144A<br>Ser. 03-A, Class A, 6.656s, 2033                                    | 87,922        |
|            | Sharps SP I, LLC Net Interest Margin<br>Trust 144A  |               |
| 81,866     | Ser. 03-0P1N, Class NA, 4.45s, 2033   | 81,768        |
| 70,927     | Ser. 03-HS1N, Class N, 7.48s, 2033  | 71,104        |
| 87,701     | Ser. 03-NC1N, Class N, 7 1/4s, 2033   | 88,061        |
| 37,688     | Ser. 03-TC1N, Class N, 7.45s, 2033  | 37,688        |
| 153,255    | Ser. 04-HE2N, Class NA, 5.43s, 2034   | 152,872       |
| 44,232     | Ser. 04-HS1N, Class Note, 5.92s,<br>2034  | 44,232        |
| 200,000    | South Coast Funding 144A FRB Ser.<br>3A, Class A2, 3.46s, 2038<br>Structured Asset Investment Loan<br>Trust | 202,620       |
| 164,935    | Ser. 03-BC1A, Class A, 7 3/4s, 2033   | 165,450       |
| 5,664,011  | Ser. 03-BC2, Class A, IO, 6s, 2005  | 50,789        |
| 2,688,674  | Ser. 03-BC8, Class A, IO, 6s, 2005  | 50,626        |
| 15,461,232 | Ser. 04-1, Class A, IO, 6s, 2005  | 444,559       |
| 650,000    | TIAA Real Estate CD0, Ltd. Ser.<br>03-1A, Class E, 8s, 2038 (Cayman<br>Islands)                             | 629,620       |
| 544,000    | TIAA Real Estate CD0, Ltd. 144A Ser.<br>02-1A, Class IV, 6.84s, 2037  | 516,898       |
| 3,438,400  | Washington Mutual Ser. 03-S1, Class<br>All, IO, 5 1/2s, 2033<br>Wells Fargo Home Equity Trust 144A          | 131,089       |
| 1,216,931  | Ser. 04-2, Class N1, 4.45s, 2034  | 1,216,859     |
| 303,000    | Ser. 04-2, Class N2, 8s, 2034<br>Whole Auto Loan Trust 144A   | 287,850       |
| 763,414    | Ser. 03-1, Class D, 6s, 2010  | 760,670       |
| 814,000    | Ser. 04-1, Class D, 5.6s, 2011  | 811,583       |
|            | Total Asset-backed securities<br>(cost \$103,539,946)   | \$101,869,206 |

Collateralized mortgage obligations (4.4%) (a)

Principal amount

Value

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|            |  |           |
|------------|--|-----------|
|            | Banc of America Commercial Mortgage,<br>Inc. 144A  |           |
| \$231,000  | Ser. 01-1, Class J, 6 1/8s, 2036   | \$227,752 |
| 519,000    | Ser. 01-1, Class K, 6 1/8s, 2036   | 385,864   |
| 298,000    | Banc of America Large Loan 144A FRN<br>Ser. 02-FL2A, Class L1, 5.4s, 2014                          | 298,874   |
| 348,000    | Bear Stearns Commercial Mortgage<br>Securitization Corp. Ser.<br>00-WF2, Class F, 8.195s, 2032     | 416,691   |
| 490,000    | Bear Stearns Commercial Mortgage<br>Securitization Corp. 144A Ser.<br>04-ESA, Class K, 4.95s, 2016 | 489,998   |
| 5,071,253  | Commercial Mortgage Acceptance Corp.<br>Ser. 97-ML1, IO, 0.916s, 2017                              | 112,518   |
| 754,000    | Commercial Mortgage Pass-Through<br>Certificates 144A Ser.<br>01-FL4A, Class D, 3.253s, 2013       | 736,431   |
| 1,858,000  | Criimi Mae Commercial Mortgage Trust<br>Ser. 98-C1, Class A2, 7s, 2033                             | 1,976,448 |
| 2,814,000  | Criimi Mae Commercial Mortgage Trust<br>144A Ser. 98-C1, Class B, 7s, 2033                         | 3,001,607 |
|            | CS First Boston Mortgage Securities<br>Corp. 144A  |           |
| 501,000    | FRB Ser. 03-TF2A, Class L, 6.48s,<br>2014  | 498,291   |
| 1,360,000  | Ser. 98-C1, Class F, 6s, 2040  | 998,590   |
| 499,000    | Ser. 02-CP5, Class M, 5 1/4s, 2035   | 358,532   |
| 52,512,417 | Deutsche Mortgage & Asset Receiving<br>Corp. Ser. 98-C1, Class X,<br>IO, 1.082s, 2031              | 1,367,118 |
|            | DLJ Commercial Mortgage Corp.  |           |
| 399,789    | Ser. 98-CF2, Class B4, 6.04s, 2031   | 391,913   |
| 1,281,541  | Ser. 98-CF2, Class B5, 5.95s, 2031   | 878,124   |
|            | DLJ Mortgage Acceptance Corp. 144A   |           |
| 390,000    | Ser. 97-CF1, Class B2, 8.16s, 2030   | 97,500    |
| 375,000    | Ser. 97-CF1, Class B1, 7.91s, 2030   | 408,093   |
| 192,091    | European Loan Conduit 144A FRN Ser.<br>6A, Class F, 7.148s, 2010 (United<br>Kingdom)               | 366,793   |
|            | Fannie Mae   |           |
| 942        | Ser. 92-15, Class L, IO, 1037.606s,<br>2022  | 9,935     |
| 159,850    | Ser. 98-51, Class SG, IO, 24.04s,<br>2022  | 76,820    |
| 538,690    | Ser. 02-36, Class SJ, 14.081s, 2029  | 568,674   |
| 566,479    | Ser. 03-W3, Class 1A3, 7 1/2s, 2042  | 606,659   |
| 10,925     | Ser. 03-W2, Class 1A3, 7 1/2s, 2042  | 11,704    |
| 1,238      | Ser. 02-W1, Class 2A, 7 1/2s, 2042   | 1,318     |
| 4,792      | Ser. 02-14, Class A2, 7 1/2s, 2042   | 5,126     |
| 696,684    | Ser. 01-T10, Class A2, 7 1/2s, 2041  | 744,105   |
| 3,092      | Ser. 02-T4, Class A3, 7 1/2s, 2041   | 3,303     |
| 7,674      | Ser. 01-T8, Class A1, 7 1/2s, 2041   | 8,188     |
| 2,701,505  | Ser. 01-T7, Class A1, 7 1/2s, 2041   | 2,879,451 |
| 404,383    | Ser. 01-T3, Class A1, 7 1/2s, 2040   | 431,333   |
| 1,234,429  | Ser. 01-T1, Class A1, 7 1/2s, 2040   | 1,319,114 |
| 512,533    | Ser. 99-T2, Class A1, 7 1/2s, 2039   | 548,010   |
| 257,763    | Ser. 00-T6, Class A1, 7 1/2s, 2030   | 274,741   |
| 1,208,048  | Ser. 01-T4, Class A1, 7 1/2s, 2028   | 1,296,795 |
| 2,471      | Ser. 02-W3, Class A5, 7 1/2s, 2028   | 2,644     |
| 1,283,032  | Ser. 03-58, Class ID, IO, 6s, 2033   | 222,927   |
| 1,255,472  | Ser. 03-26, Class IG, IO, 6s, 2033   | 185,275   |
| 1,010,497  | Ser. 322, Class 2, IO, 6s, 2032  | 181,574   |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|               |  |           |
|---------------|--|-----------|
| 1,274,280     | Ser. 318, Class 2, IO, 6s, 2032  | 233,502   |
| 1,700,007     | Ser. 03-118, Class S, IO, 5.57s,<br>2033   | 187,001   |
| 1,896,785     | Ser. 03-118, Class SF, IO, 5.57s,<br>2033  | 223,465   |
| 1,167,161     | Ser. 02-36, Class QH, IO, 5.52s,<br>2029   | 39,658    |
| 6,128,565     | Ser. 338, Class 2, IO, 5 1/2s, 2033  | 1,210,870 |
| 2,773,214     | Ser. 329, Class 2, IO, 5 1/2s, 2033  | 543,593   |
| 3,620,712     | Ser. 03-37, Class IC, IO, 5 1/2s,<br>2027  | 327,562   |
| 470,612       | Ser. 03-6, Class IB, IO, 5 1/2s,<br>2022   | 7,762     |
| 10,461,013    | Ser. 03-W10, Class 1A, IO, 1.651s,<br>2043   | 235,373   |
| 12,299,229    | Ser. 03-W10, Class 3A, IO, 1.615s,<br>2043   | 284,420   |
| 6,782,489     | Ser. 03-W17, Class 12, IO, 1.158s,<br>2033   | 221,111   |
| 10,936,063    | Ser. 00-T6, IO, 0.755s, 2030   | 196,507   |
| 19,287,264    | Ser. 02-T18, IO, 0.52s, 2042   | 273,362   |
| 207,812       | Ser. 99-51, Class N, PO (Principal<br>only), zero %, 2029                              | 178,978   |
| 84,120        | Ser. 99-52, Class MO, PO, zero %,<br>2026  | 80,195    |
|               | Federal Home Loan Mortgage Corp.<br>Structured Pass-Through Securities                 |           |
| 14,740        | Ser. T-58, Class 4A, 7 1/2s, 2043  | 15,754    |
| 6,378,995     | Ser. T-57, Class 1AX, IO, 0.446s,<br>2043  | 61,876    |
| 18,395,364    | FFCA Secured Lending Corp. Ser.<br>00-1, Class X, IO, 1.562s, 2020<br>Freddie Mac      | 1,079,091 |
| 721,062       | IFB Ser. 2763, Class SC, 18.68s,<br>2032   | 835,032   |
| 3,954,596     | Ser. 216, IO, 6s, 2032   | 704,876   |
| 2,008,400     | Ser. 2515, Class IG, IO, 5 1/2s,<br>2032   | 466,785   |
| 964,069       | Ser. 2626, Class IK, IO, 5 1/2s,<br>2030   | 171,040   |
| 1,033,400     | Ser. 2590, Class IH, IO, 5 1/2s,<br>2028   | 184,074   |
| 712,362       | Ser. 2833, Class IK, IO, 5 1/2s,<br>2023   | 96,169    |
| 427,901       | Ser. 215, PO, zero %, 2031   | 384,994   |
| 424,978       | Ser. 2235, PO, zero %, 2030  | 361,630   |
|               | GE Capital Commercial Mortgage Corp.<br>144A   |           |
| 838,000       | Ser. 00-1, Class G, 6.131s, 2033   | 748,585   |
| 522,000       | Ser. 00-1, Class H, 6.131s, 2033   | 373,909   |
| 739,550       | GMAC Commercial Mortgage Securities,<br>Inc. 144A Ser. 99-C3, Class<br>G, 6.974s, 2036 | 589,435   |
|               | Government National Mortgage<br>Association  |           |
| 361,041       | Ser. 01-43, Class SJ, IO, 5.1s, 2029   | 3,892     |
| 196,730       | Ser. 98-2, Class EA, PO, zero %,<br>2028   | 167,374   |
| 300,000       | GS Mortgage Securities Corp. II 144A<br>FRB Ser. 03-FL6A, Class L, 5.73s,<br>2015      | 300,375   |
| GBP 1,578,529 | Hermione (European Loan Conduit No.  |           |

Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|           |   |              |
|-----------|---|--------------|
|           | 14) 144A FRB Class A, 4.489s, 2011<br>(Ireland)   | 2,993,320    |
|           | LB Commercial Conduit Mortgage Trust<br>144A  |              |
| \$355,850 | Ser. 99-C1, Class G, 6.41s, 2031  | 343,765      |
| 1,396,000 | Ser. 98-C4, Class J, 5.6s, 2035   | 1,020,661    |
| 825,000   | Lehman Brothers Floating Rate<br>Commercial Mortgage Trust 144A<br>FRN Ser. 03-LLFA, Class L, 6.2s,<br>2014 | 814,277      |
|           | Mach One Commercial Mortgage Trust<br>144A  |              |
| 594,000   | Ser. 04-1A, Class J, 5.45s, 2040  | 497,653      |
| 297,000   | Ser. 04-1A, Class K, 5.45s, 2040  | 242,798      |
| 135,000   | Ser. 04-1A, Class L, 5.45s, 2040  | 98,803       |
| 9,214,581 | Merrill Lynch Mortgage Investors,<br>Inc. Ser. 96-C2, Class JS,<br>IO, 2.13s, 2028                          | 455,620      |
| 8,113,000 | Merrill Lynch Mortgage Trust 144A<br>Ser. 04-BPC1, Class XC, IO, 0.059s,<br>2041                            | 157,189      |
| 1,439,162 | Mezz Cap Commercial Mortgage Trust<br>144A Ser. 04-C1, Class X, IO, 6.18s,<br>2037                          | 639,809      |
| 2,430,000 | Morgan Stanley Capital I 144A Ser.<br>04-RR, Class F7, 6s, 2039   | 1,791,061    |
| 7,079,343 | Mortgage Capital Funding, Inc. Ser.<br>97-MC2, Class X, IO, 1.483s, 2012                                    | 173,132      |
| 459,501   | Mortgage Capital Funding, Inc. FRB<br>Ser. 98-MC2, Class E, 7.146s, 2030                                    | 497,270      |
| 174,000   | PNC Mortgage Acceptance Corp. 144A<br>Ser. 00-C1, Class J, 6 5/8s, 2010                                     | 154,141      |
|           | Starwood Asset Receivables Trust<br>144A  |              |
| 245,003   | FRB Ser. 03-1A, Class F, 3.63s, 2022  | 245,322      |
| 308,522   | FRB Ser. 03-1A, Class E, 3.58s, 2022<br>STRIPS 144A   | 308,923      |
| 229,000   | Ser. 03-1A, Class M, 5s, 2018<br>(Cayman Islands)   | 189,727      |
| 272,000   | Ser. 03-1A, Class N, 5s, 2018<br>(Cayman Islands)   | 203,102      |
| 245,000   | Ser. 04-1A, Class M, 5s, 2018<br>(Cayman Islands)   | 205,335      |
| 235,000   | Ser. 04-1A, Class N, 5s, 2018<br>(Cayman Islands)   | 178,882      |
| EUR       | 563,000 Titan Europe PLC 144A FRN Ser.<br>04-2A, Class D, 3.08s, 2014<br>(Ireland)                          | 733,814      |
|           |   | -----        |
|           | Total Collateralized mortgage<br>obligations (cost \$51,493,443)  | \$45,121,687 |

Senior loans (2.2%) (a) (c)

Principal amount Value

Basic Materials (0.1%)

|           |  |           |
|-----------|--|-----------|
| \$205,323 | Graphics Packaging bank term loan<br>FRN Ser. Ser. C, 5.133s, 2010 | \$208,660 |
| 347,375   | Hercules, Inc. bank term loan FRN<br>Ser. B, 3.985s, 2010          | 350,523   |
| 171,674   | Nalco Co. bank term loan FRN Ser. B,                               |           |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|   |   |           |
|---|---|-----------|
|   | 4.635s, 2010  | 173,939   |
| 230,518                                     | SGL Carbon, LLC bank term loan FRN<br>4.95s, 2009                                     | 231,671   |
|   |   | 964,793   |
| <br>Capital Goods (0.1%)                    |   |           |
| <hr style="border-top: 1px dashed black;"/> |   |           |
| 205,589                                     | Allied Waste Industries, Inc. bank<br>term loan FRN 5 1/8s, 2010                      | 208,526   |
| 35,003                                      | Allied Waste Industries, Inc. bank<br>term loan FRN Ser. C, 2.4s, 2010                | 35,441    |
| 274,304                                     | Amsted Industries bank term loan FRN<br>5.432s, 2010                                  | 278,761   |
| 191,187                                     | EaglePicher bank term loan FRN<br>Ser. B, 5.46s, 2009                                 | 191,426   |
| 89,236                                      | Flowserve Corp. bank term loan FRN<br>Ser. C, 5.358s, 2009                            | 90,742    |
| 158,173                                     | Invensys, PLC bank term loan FRN<br>Ser. B-1, 6.091s, 2009 (United<br>Kingdom)        | 160,644   |
| 188,991                                     | Mueller Group bank term loan FRN<br>5.099s, 2011                                      | 190,645   |
| 198,500                                     | Solo Cup Co. bank term loan FRN<br>4.993s, 2011                                       | 201,850   |
| 98,517                                      | SPX Corp. bank term loan FRN<br>Ser. B-1, 4.438s, 2009                                | 98,886    |
| 74,251                                      | Transdigm, Inc. bank term loan FRN<br>Ser. C, 4.67s, 2010                             | 75,133    |
|   |   | 1,532,054 |
| <br>Communication Services (0.1%)           |   |           |
| <hr style="border-top: 1px dashed black;"/> |   |           |
| 99,333                                      | Consolidated Communications bank<br>term loan FRN Ser. C, 4.95s, 2012                 | 100,823   |
| 109,172                                     | PanAmSat Corp. bank term loan FRN<br>Ser. B, 5 1/4s, 2011                             | 109,948   |
| 268,125                                     | Qwest Communications International,<br>Inc. bank term loan FRN<br>Ser. A, 7.39s, 2007 | 279,425   |
| 99,500                                      | SBA Senior Finance, Inc. bank term<br>loan FRN 4.862s, 2008                           | 100,713   |
|   |   | 590,909   |
| <br>Consumer Cyclical (0.5%)                |   |           |
| <hr style="border-top: 1px dashed black;"/> |   |           |
| 650,000                                     | Advertising Direct bank term loan<br>FRN 4.48s, 2011                                  | 655,455   |
| 650,000                                     | Boise Cascade Corp. bank term loan<br>FRN Ser. C, 4.688s, 2011                        | 650,222   |
| 800,000                                     | Borgata Resorts bank term loan FRN<br>Ser. B, 3.93s, 2011                             | 806,666   |
| 187,294                                     | Coinmach Corp. bank term loan FRN<br>Ser. B, 5.448s, 2009                             | 189,167   |
| 245,288                                     | Dex Media West, LLC bank term loan<br>FRN Ser. B, 4.26s, 2010                         | 248,220   |
| 160,000                                     | Goodyear Tire & Rubber Co. (The)<br>bank term loan FRN 7.03s, 2006                    | 162,240   |
| 150,000                                     | Goodyear Tire & Rubber Co. (The)<br>bank term loan FRN 4.6s, 2007                     | 151,359   |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|         |   |           |
|---------|---|-----------|
| 234,988 | Hayes Lemmerz International, Inc.<br>bank term loan FRN 6.148s, 2009    | 238,953   |
| 244,444 | Lamar Media bank term loan FRN<br>Ser. D, 4.063s, 2010                  | 246,965   |
| 100,000 | Landsource bank term loan FRN<br>Ser. B, 5.063s, 2010                   | 101,375   |
| 135,230 | Penn National Gaming, Inc. bank term<br>loan FRN Ser. D, 4.99s, 2010    | 135,535   |
| 190,762 | PRIMEDIA, Inc. bank term loan FRN<br>Ser. B, 5 3/8s, 2009               | 188,377   |
| 469,726 | RH Donnelley Finance Corp. bank term<br>loan FRN Ser. A-3, 4.236s, 2009 | 472,341   |
| 322,920 | RH Donnelley Finance Corp. bank term<br>loan FRN Ser. B, 4.275s, 2011   | 325,913   |
| 134,286 | Sealy Mattress Co. bank term loan<br>FRN Ser. C, 4.535s, 2012           | 136,076   |
| 761,406 | TRW Automotive bank term loan FRN<br>Ser. B, 4 3/8s, 2010               | 762,516   |
| 220,000 | WRC Media Corp. bank term loan FRN<br>6.761s, 2009                      | 218,350   |
|         | -----   |           |
|         |   | 5,689,730 |

### Consumer Staples (0.7%)

|           |   |           |
|-----------|---|-----------|
| 47,374    | Affinity Group Holdings bank term<br>loan FRN Ser. B1, 5.514s, 2009                             | 47,809    |
| 118,436   | Affinity Group Holdings bank term<br>loan FRN Ser. B2, 5.474s, 2009                             | 119,522   |
| 155,910   | AMF Bowling Worldwide bank term loan<br>FRN Ser. B, 5.506s, 2009                                | 157,275   |
| 1,120,000 | Century Cable Holdings bank term<br>loan FRN 7 1/4s, 2009                                       | 1,111,000 |
| 966,771   | Charter Communications Holdings,<br>LLC/Capital Corp. bank term loan<br>FRN Ser. B, 5.38s, 2011 | 962,714   |
| 1,000,000 | Constellation Brands, Inc. bank term<br>loan FRN Ser. B, 4.404s, 2011                           | 1,012,321 |
| 237,890   | Del Monte Foods Co. bank term loan<br>FRN Ser. B, 4.96s, 2010                                   | 238,882   |
| 202,350   | DirectTV bank term loan FRN Ser. B-2,<br>4.465s, 2010   | 205,031   |
| 19,616    | Dole Food Co. bank term loan FRN<br>Ser. D, 4.843s, 2009  | 19,904    |
| 160,000   | Dole Holding Co. bank term loan FRN<br>8s, 2010   | 163,800   |
| 103,950   | Insight Midwest LP/Insight Capital,<br>Inc. bank term loan FRN 5.188s, 2009                     | 105,457   |
| 239,400   | MGM Studios bank term loan FRN<br>Ser. B, 5.06s, 2011   | 239,340   |
| 465,000   | Olympus Cable bank term loan FRN<br>Ser. B, 7 1/4s, 2010  | 460,931   |
| 135,518   | Rayovac Corp. bank term loan FRN<br>Ser. C, 4.871s, 2009  | 136,761   |
| 291,767   | Roundy's bank term loan FRN Ser. B,<br>4.263s, 2009   | 294,594   |
| 126,691   | Six Flags, Inc. bank term loan FRN<br>Ser. B, 4.9s, 2009  | 128,631   |
| 228,717   | Sum Media bank term loan FRN Ser. B,<br>4.144s, 2009  | 230,290   |
| 900,000   | Universal City Development bank term<br>loan FRN Ser. B, 4.583s, 2011                           | 913,500   |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|                              |  |           |
|------------------------------|--|-----------|
|                              | 397,000 Warner Music Group bank term loan<br>FRN Ser. B, 5.209s, 2011                      | 401,549   |
|                              |  | 6,949,311 |
| <br>Energy (--)              |  |           |
|                              | 240,000 Dresser, Inc. bank term loan FRN<br>5.84s, 2010                                    | 243,600   |
| <br>Financial (0.2%)         |  |           |
|                              | 1,300,000 General Growth Property bank term<br>loan FRN Ser. B, 4.64s, 2008                | 1,308,802 |
|                              | 326,082 Hilb, Rogal & Hamilton Co. bank term<br>loan FRN Ser. B, 4.813s, 2011              | 330,362   |
|                              |  | 1,639,164 |
| <br>Health Care (0.2%)       |  |           |
|                              | 185,156 Beverly Enterprises, Inc. bank term<br>loan FRN 5.082s, 2008                       | 187,471   |
|                              | 159,600 Community Health Systems, Inc. bank<br>term loan FRN Ser. B, 4.15s, 2011           | 160,772   |
|                              | 295,513 Concentra bank term loan FRN 5.045s,<br>2009                                       | 298,591   |
|                              | 492,985 DaVita, Inc. bank term loan FRN<br>Ser. B, 4.458s, 2009                            | 493,513   |
|                              | 159,200 Fisher Scientific International,<br>Inc. bank term loan FRN<br>Ser. B, 3.92s, 2011 | 160,328   |
|                              | 148,125 Hanger Orthopedic Group, Inc. bank<br>term loan FRN 6.06s, 2009                    | 149,051   |
|                              | 162,938 Kinetic Concepts, Inc. bank term<br>loan FRN Ser. B, 4.31s, 2011                   | 163,752   |
|                              | 203,156 Medex, Inc. bank term loan FRN<br>Ser. B, 5 1/2s, 2009                             | 204,849   |
|                              |  | 1,818,327 |
| <br>Transportation (--)      |  |           |
|                              | 174,382 Pacer International, Inc. bank term<br>loan FRN 4.371s, 2010                       | 176,562   |
| <br>Utilities & Power (0.3%) |  |           |
|                              | 1,132,452 EL Paso Corp. bank term loan FRN<br>Ser. B, Class B, 5.188s, 2009                | 1,143,462 |
|                              | 293,000 El Paso Corp. bank Corp. term loan<br>FRN Ser. C, 2.3s, 2009                       | 295,289   |
|                              | 707,692 Texas Genco bank term loan FRN<br>Ser. B, 4.48s, 2011                              | 716,440   |
|                              | 292,308 Texas Genco bank term loan FRN<br>Ser. DD, 4.02s, 2011                             | 295,799   |
|                              | 160,000 Unisource Energy bank term loan FRN<br>Ser. B, 5.652s, 2011                        | 160,600   |
|                              | 162,533 Williams Products bank term loan FRN<br>Ser. C, 4.99s, 2007                        | 164,700   |
|                              |  | 2,776,290 |

Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|                                      |   |              |
|--------------------------------------|---|--------------|
| Total Senior loans                   |   | -----        |
| (cost \$22,090,335)                  |   | \$22,380,740 |
| Common stocks (0.7%) (a)             |   |              |
| Number of shares                     |   | Value        |
| -----                                |   |              |
| 2,767                                | AboveNet, Inc. (NON) (S)  | \$83,702     |
| 3,074                                | Alderwoods Group, Inc. (NON)  | 36,996       |
| 1,005,000                            | AMRESKO Creditor Trust (acquired<br>6/17/99, cost \$174,438) (NON) (RES)<br>(R) (F)         | 1,005        |
| 1,522                                | Birch Telecom, Inc. (NON) (F)   | 15           |
| 652                                  | Comdisco Holding Co., Inc. (S)  | 16,137       |
| 3,390,037                            | Contifinancial Corp. Liquidating<br>Trust Units   | 84,751       |
| 21,241                               | Covad Communications Group, Inc.<br>(NON) (S)   | 35,897       |
| 689                                  | Crown Castle International Corp.<br>(NON) (S)   | 11,300       |
| 1,529                                | Genesis HealthCare Corp. (NON)  | 53,026       |
| 64,253                               | Globix Corp. (NON)  | 227,456      |
| 750,000                              | iPCS Escrow, Inc. (NON) (F)   | 750          |
| 17,455                               | iPCS, Inc. (NON)  | 541,105      |
| 282                                  | Knology, Inc. (NON)   | 649          |
| 220                                  | Leucadia National Corp.   | 7,966        |
| 9,031                                | Lodgian, Inc. (NON)   | 106,114      |
| 160,000                              | Loewen Group International, Inc.<br>(NON) (F)   | 16           |
| 8,147                                | Northwestern Corp. (NON)  | 231,049      |
| 1,112                                | Polymer Group, Inc. Class A (NON)   | 20,016       |
| 2,502                                | PSF Group Holdings, Inc. 144A Class<br>A (NON) (F)  | 3,753,720    |
| 74,020                               | Regal Entertainment Group (F)   | 1,471,518    |
| 368                                  | Sterling Chemicals, Inc. (NON)  | 14,536       |
| 1,195                                | Sun Healthcare Group, Inc. (NON) (S)  | 9,094        |
| 19                                   | USA Mobility, Inc. (NON)  | 675          |
| 1,292,251                            | VFB LLC (acquired various dates from<br>6/22/99 to 12/8/03, cost \$955,585)<br>(NON) (RES)  | 264,911      |
| 6,378                                | Washington Group International, Inc.<br>(NON)   | 251,166      |
| Total Common stocks                  |   | -----        |
| (cost \$18,398,220)                  |   | \$7,223,570  |
| Brady bonds (0.5%) (a)               |   |              |
| Principal amount                     |   | Value        |
| -----                                |   |              |
| \$2,350,000                          | Argentina (Republic of) govt.<br>guaranty FRB Ser. L-GL, 3 1/2s, 2023<br>(In default) (NON) | \$1,304,250  |
| 1,107,362                            | Brazil (Federal Republic of) FRB<br>Ser. 18 YR, 3 1/8s, 2012                                | 1,058,970    |
| 591,181                              | Brazil (Federal Republic of) govt.<br>guaranty FRB Ser. RG, 3 1/8s, 2012                    | 565,347      |
| 985,000                              | Peru (Republic of) coll. FLIRB Ser.<br>20YR, 4 1/2s, 2017                                   | 913,588      |
| 853,600                              | Peru (Republic of) FRB Ser. 20 YR,<br>5s, 2017  | 806,652      |
| Total Brady bonds (cost \$3,961,125) |   | -----        |
|                                      |   | \$4,648,807  |



## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

| Preferred stocks (0.4%) (a) |  | Value       |
|-----------------------------|--|-------------|
| Number of shares            |  | Value       |
| \$15,119                    | Doane Pet Care Co. \$7.125 pfd.                      | \$786,188   |
| 38                          | Dobson Communications Corp. 13.00% pfd. (PIK)        | 20,520      |
| 540                         | First Republic Capital Corp. 144A 10.50% pfd.        | 558,900     |
| 17,777                      | iStar Financial, Inc. Ser. F, \$1.95 cum. pfd. (R)   | 464,869     |
| 100                         | Paxson Communications Corp. 14.25% cum. pfd. (PIK)   | 820,000     |
| 1,234                       | Rural Cellular Corp. Ser. B, 11.375% cum. pfd. (PIK) | 1,116,770   |
|                             | Total Preferred stocks<br>(cost \$3,655,277)         | \$3,767,247 |

| Convertible preferred stocks (0.2%) (a) |  | Value       |
|---|--|-------------|
| Number of shares                        |  | Value       |
| 3,471                                   | Emmis Communications Corp. Ser. A, \$3.125 cum. cv. pfd. | \$152,290   |
| 7,495                                   | Omnicare, Inc. \$2.00 cv. pfd.                           | 374,750     |
| 93                                      | Paxson Communications Corp. 144A 9.75% cv. pfd. (PIK)    | 492,900     |
| 9,530                                   | Williams Cos., Inc. (The) 144A \$2.75 cv. pfd.           | 818,389     |
|   | Total Convertible preferred stocks<br>(cost \$1,845,110) | \$1,838,329 |

| Units (0.1%) (a) |                                | Value     |
|------------------|--------------------------------|-----------|
| Number of units  |                                | Value     |
| 1,250,000        | Morrison Knudsen Corp., 2032   | \$95,313  |
| 951              | XCL Equity Units zero % (F)    | 422,079   |
|                  | Total Units (cost \$2,522,752) | \$517,392 |

| Convertible bonds and notes (--%) (a) |  | Value     |
|---------------------------------------|--|-----------|
| Principal amount                      |  | Value     |
| \$3,080,000                           | Cybernet Internet Services International, Inc. 144A cv. sr. disc. notes 13s, 2009 (Denmark) (In default) (NON) | \$31      |
| 380,000                               | WCI Communities, Inc. cv. sr. sub. notes 4s, 2023  | 493,525   |
|                                       | Total Convertible bonds and notes<br>(cost \$2,972,768)  | \$493,556 |

| Warrants (--%) (a) (NON) |                            | Expiration date | Value    |
|--------------------------|----------------------------|-----------------|----------|
| Number of warrants       |                            | Expiration date | Value    |
| 1,001                    | AboveNet, Inc.             | 9/8/08          | \$12,012 |
| 1,178                    | AboveNet, Inc.             | 9/8/10          | 9,424    |
| 1,420                    | Dayton Superior Corp. 144A | 6/15/09         | --       |
| 694                      | MDP Acquisitions PLC 144A  | 10/1/13         | 19,432   |
| 550                      | Mikohn Gaming Corp. 144A   | 8/15/08         | 4,818    |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|   |         |           |
|---|---------|-----------|
| 560 ONO Finance PLC 144A (United Kingdom)         | 2/15/11 | 6         |
| 570 Pliant Corp. 144A                             | 6/1/10  | 6         |
| 690 Travel Centers of America, Inc. 144A          | 5/1/09  | 3,450     |
| 2,310 Ubiquitel, Inc. 144A                        | 4/15/10 | --        |
| 3,937 Washington Group International, Inc. Ser. A | 1/25/06 | 44,567    |
| 4,500 Washington Group International, Inc. Ser. B | 1/25/06 | 37,800    |
| 2,432 Washington Group International, Inc. Ser. C | 1/25/06 | 17,389    |
| 800 XM Satellite Radio Holdings, Inc. 144A        | 3/15/10 | 68,000    |
|   |         | -----     |
| Total Warrants (cost \$812,351)                   |         | \$216,904 |

### Short-term investments (12.6%) (a)

| Principal amount  | Value           |
|---|-----------------|
| \$128,556,834 Putnam Prime Money Market (e)   | \$128,556,834   |
| 148,965 Short-term investments held as collateral for loaned securities with yields ranging from 2.29% to 2.65% and due dates ranging from February 1, 2005 to March 22, 2005 (d) | 148,891         |
| 1,500,000 U.S. Treasury Bills zero %, March 31, 2005 (SEG)  | 1,494,792       |
|   | -----           |
| Total Short-term investments (cost \$130,200,517)   | \$130,200,517   |
|   |                 |
| Total Investments (cost \$1,086,583,846)  | \$1,104,429,308 |
|   |                 |

(a) Percentages indicated are based on net assets of \$1,030,013,719.

(NON) Non-income-producing security.

(STP) The interest rate and date shown parenthetically represent the new interest rate to be paid and the date the fund will begin accruing interest at this rate.

(RES) Restricted, excluding 144A securities, as to public resale. The total market value of restricted securities held at January 31, 2005 was \$265,916 or less than 0.1% of net assets.

(PIK) Income may be received in cash or additional securities at the discretion of the issuer.

(SEG) This security was pledged and segregated with the custodian to cover margin requirements for futures contracts at January 31, 2005.

(F) Security is valued at fair value following procedures approved by the Trustees.

(R) Real Estate Investment Trust.

(S) Securities on loan, in part or in entirety, at January 31, 2005.

(c) Senior loans are exempt from registration under the Security Act of 1933, as amended, but contain certain restrictions on resale and cannot

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

be sold publicly. These loans pay interest at rates which adjust periodically. The interest rate shown for senior loans are the current interest rates at January 31, 2005. Senior loans are also subject to mandatory and/or optional prepayment which cannot be predicted. As a result, the remaining maturity may be substantially less than the stated maturity shown (Notes 1 and 5).

(d) See Note 1 to the financial statements.

(e) See Note 4 to the financial statements regarding investments in Putnam Prime Money Market Fund.

144A after the name of a security represents those exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.

TBA after the name of a security represents to be announced securities (Note 1).

FLIRB represents Front Loaded Interest Reduction Bond.

The rates shown on IFB and IF COP, which are securities paying interest rates that vary inversely to changes in the market interest rates, are the current interest rates at January 31, 2005.

Forward currency contracts to buy at January 31, 2005 (Unaudited)  
(aggregate face value \$149,817,898)

|                    | Value        | Aggregate<br>face value | Delivery<br>date | Unrealize<br>appreciat<br>(deprecia |
|--------------------|--------------|-------------------------|------------------|-------------------------------------|
| Australian Dollar  | \$29,080,827 | \$28,992,479            | 4/20/05          | \$88,348                            |
| British Pound      | 26,192,048   | 26,341,237              | 3/16/05          | (149,189)                           |
| Canadian Dollar    | 80,066       | 80,420                  | 4/20/05          | (354)                               |
| Danish Krone       | 1,761,255    | 1,796,863               | 3/16/05          | (35,608)                            |
| Euro               | 15,879,844   | 16,270,064              | 3/16/05          | (390,220)                           |
| Japanese Yen       | 46,520,565   | 46,947,679              | 5/18/05          | (427,114)                           |
| New Zealand Dollar | 437,275      | 440,413                 | 4/20/05          | (3,138)                             |
| Polish Zloty       | 742,595      | 738,758                 | 3/16/05          | 3,837                               |
| Swedish Krona      | 2,483,532    | 2,594,759               | 3/16/05          | (111,227)                           |
| Swiss Franc        | 22,181,239   | 23,013,575              | 3/16/05          | (832,336)                           |
| Taiwan Dollar      | 2,630,680    | 2,601,651               | 5/18/05          | 29,029                              |
|                    |              |                         |                  | \$ (1,827,972)                      |

Forward currency contracts to sell at January 31, 2005 (Unaudited)  
(aggregate face value \$168,340,763)

|  | Value | Aggregate<br>face value | Delivery<br>date | Unrealize<br>appreciat<br>(deprecia |
|--|-------|-------------------------|------------------|-------------------------------------|
|--|-------|-------------------------|------------------|-------------------------------------|

Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|                   |             |             |         |            |
|-------------------|-------------|-------------|---------|------------|
| Australian Dollar | \$8,826,611 | \$8,729,039 | 4/20/05 | \$(97,572) |
| British Pound     | 7,438,493   | 7,365,425   | 3/16/05 | (73,068)   |
| Canadian Dollar   | 22,752,945  | 23,519,098  | 4/20/05 | 766,153    |
| Euro              | 78,448,230  | 80,064,917  | 3/16/05 | 1,616,687  |
| Norwegian Krone   | 14,323,546  | 14,759,034  | 3/16/05 | 435,488    |
| Swedish Krona     | 18,501,252  | 19,117,843  | 3/16/05 | 616,591    |
| Swiss Franc       | 14,136,359  | 14,785,407  | 3/16/05 | 649,048    |

-----  
 \$3,913,327  
 -----

Futures contracts outstanding at January 31, 2005 (Unaudited)

|  | Value       | Aggregate<br>face value | Expiration<br>date | Unrealize<br>appreciat<br>(deprecia |
|--|-------------|-------------------------|--------------------|-------------------------------------|
| CBT Interest Rate Swap                       |             |                         |                    |                                     |
| 10 yr (Long)                                 | \$2,565,219 | \$2,551,765             | Mar-05             | \$13,454                            |
| Euro-Bobl 5 yr (Long)                        | 18,638,286  | 18,581,212              | Mar-05             | 57,074                              |
| Euro-Bund 10 yr (Long)                       | 28,449,657  | 28,023,151              | Mar-05             | 426,506                             |
| Liffe-Gilt (Long)                            | 6,697,507   | 6,695,529               | Mar-05             | 1,978                               |
| Japanese Government<br>Bond 10 yr (Long)     | 9,444,992   | 9,353,229               | Mar-05             | 91,763                              |
| Japanese Government<br>Bond 10 yr-TSE (Long) | 16,194,896  | 16,034,252              | Mar-05             | 160,644                             |
| U.S. Treasury Note<br>10 yr (Long)           | 8,644,453   | 8,602,311               | Mar-05             | 42,142                              |
| U.S. Treasury Note<br>30 yr (Long)           | 12,977,344  | 12,854,188              | Mar-05             | 123,156                             |
| U.S. Treasury Note<br>5 yr (Short)           | 150,437,250 | 150,271,167             | Mar-05             | (166,083)                           |

-----  
 \$750,634  
 -----

TBA sale commitments outstanding at January 31, 2005 (Unaudited)  
 (proceeds receivable \$17,492,938)

|                                | Principal<br>amount | Settlement<br>date | Value       |
|--------------------------------|---------------------|--------------------|-------------|
| FHLMC 6 1/2s, February 1, 2035 | \$9,200,000         | 2/10/05            | \$9,644,900 |
| FNMA 6 1/2s, February 1, 2035  | 7,500,000           | 2/10/05            | 7,848,040   |

-----  
 \$17,492,950  
 -----

Interest rate swap contracts outstanding at January 31, 2005 (Unaudited)

| Notional<br>amount | Termination<br>date | Unrealize<br>appreciat<br>(deprecia |
|--------------------|---------------------|-------------------------------------|
|--------------------|---------------------|-------------------------------------|

Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|   |                 |          |           |
|---|-----------------|----------|-----------|
| Agreement with Merrill Lynch International & CO. C.V. dated January 25, 2005 to pay semi-annually the notional amount multiplied by 3.0425% and receive quarterly the notional amount multiplied by three month BA CDOR.            | CAD 119,500,000 | 1/25/07  | \$12,504  |
| Agreement with Bank of America, N.A. dated March 25, 2004 to pay semi-annually the notional amount multiplied by 3.075% and receive quarterly the notional amount multiplied by the three month USD-LIBOR.                          | \$23,700,000    | 3/30/09  | 622,130   |
| Agreement with Bank of America, N.A. dated January 22, 2004 to pay semi-annually the notional amount multiplied by 1.97375% and receive quarterly the notional amount multiplied by the three month USD-LIBOR.                      | 17,400,000      | 1/26/06  | 217,572   |
| Agreement with Bank of America, N.A. dated December 2, 2003 to pay semi-annually the notional amount multiplied by 2.444% and receive quarterly the notional amount multiplied by the three month USD-LIBOR.                        | 8,912,000       | 12/5/05  | 54,630    |
| Agreement with Bank of America, N.A. dated January 22, 2004 to pay semi-annually the notional amount multiplied by 4.35% and receive quarterly the notional amount multiplied by the three month USD-LIBOR.                         | 5,500,000       | 1/27/14  | 35,727    |
| Agreement with Credit Suisse First Boston International dated July 7, 2004 to pay semi-annually the notional amount multiplied by 4.945% and receive quarterly the notional amount multiplied by the three month USD-LIBOR.         | 8,099,800       | 7/9/14   | (306,976) |
| Agreement with Credit Suisse First Boston International dated July 7, 2004 to receive semi-annually the notional amount multiplied by 2.931% and pay quarterly the notional amount multiplied by the three month USD-LIBOR.         | 7,174,500       | 7/9/06   | (49,305)  |
| Agreement with Lehman Brothers Special Financing, Inc. dated January 22, 2004 to pay semi-annually the notional amount multiplied by 1.955% and receive quarterly the notional amount multiplied by the three month USD-LIBOR-BBA.  | 17,400,000      | 1/26/06  | 219,704   |
| Agreement with Lehman Brothers Special Financing, Inc. dated December 9, 2003 to receive semi-annually the notional amount multiplied by 4.641% and pay quarterly the notional amount multiplied by the three month USD-LIBOR-BBA.  | 12,964,000      | 12/15/13 | 235,204   |
| Agreement with Lehman Brothers Special Financing, Inc. dated January 22, 2004 to pay semi-annually the notional amount multiplied by 4.3375% and receive quarterly the notional amount multiplied by the three month USD-LIBOR-BBA. | 5,500,000       | 1/26/14  | 40,207    |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

Agreement with Merrill Lynch Capital Services, Inc.  
dated September 27, 2002 to receive semi-annually  
the notional amount multiplied by the six month  
JPY-LIBOR-BBA and pay semi-annually the  
notional amount multiplied by 0.399%. JPY 3,417,000,000      10/1/07      (161,665)

Agreement with Merrill Lynch Capital Services, Inc.  
dated November 17, 2000 to pay semi-annually  
the notional amount multiplied by the three month  
USD-LIBOR-BBA and receive the notional amount  
multiplied by 6.68%. \$9,000,000      11/21/05      324,514

-----  
\$1,244,246  
-----

Credit default contracts outstanding at January 31, 2005 (Unaudited)

|  | Notional<br>amount | Unrealize<br>appreciat<br>(deprecia |
|--|--------------------|-------------------------------------|
|--|--------------------|-------------------------------------|

-----

|   |             |             |
|---|-------------|-------------|
| <p>Agreement with Citigroup effective January 6, 2005, maturing on<br/>December 20, 2009, to pay a premium based on the difference<br/>between the original spread on issue and the market spread on day<br/>of execution and pay quarterly 375 basis points times the notional<br/>amount . Upon a credit default event of a reference entity within<br/>CDX HY Series 3 Index, the fund receives a payment of the<br/>proportional notional amount times the difference between the<br/>pay value and the then-market value of the reference entity within<br/>the CDX HY Series 3 Index.</p> | \$7,000,000 | \$(381,354) |
|---|-------------|-------------|

|  |           |           |
|--|-----------|-----------|
| <p>Agreement with JP Morgan effective January 14, 2005, maturing on<br/>December 20, 2009, to receive a premium based on the difference<br/>between the original spread on issue and the market spread on day<br/>of execution and pay quarterly 375 basis points time the notional<br/>amount. Upon a credit default event of a reference entity within<br/>CDX BB HY Series 3 Index, the fund receives a payment of the<br/>proportional notional amount times the difference between the par<br/>value and the then-market value of the reference entity within<br/>the CDX BB HY Series 3 Index.</p> | 4,000,000 | (176,250) |
|--|-----------|-----------|

|  |           |           |
|--|-----------|-----------|
| <p>Agreement with JP Morgan effective January 18, 2005, maturing on<br/>December 20, 2009, to receive a premium based on the difference<br/>between the original spread on issue and the market spread on day<br/>of execution and pay quarterly 375 basis points time the notional<br/>amount. Upon a credit default event of a reference entity within<br/>CDX BB HY Series 3 Index, the fund receives a payment of the<br/>proportional notional amount times the difference between the par<br/>value and the then-market value of the reference entity within<br/>the CDX BB HY Series 3 Index.</p> | 4,000,000 | (167,917) |
|--|-----------|-----------|

|  |  |  |
|--|--|--|
| <p>Agreement with Deutsche Bank AG effective January 6, 2005,<br/>maturing on December 20, 2009, to receive a premium based on the<br/>difference between the original spread on issue and the market<br/>spread on day of execution and pay quarterly 375 basis points<br/>time the notional amount. Upon a credit default event of a<br/>reference entity within CDX BB HY Series 3 Index, the fund<br/>receives a payment of the proportional notional amount times the<br/>difference between the par value and the then-market value of the</p> |  |  |
|--|--|--|

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|  |                            |
|--|----------------------------|
| <p>reference entity within the CDX BB HY Series 3 Index.</p>   | <p>3,000,000 (145,903)</p> |
| <p>Agreement with JP Morgan effective January 10, 2005, maturing on December 20, 2009, to receive a premium based on the difference between the original spread on issue and the market spread on day of execution and pay quarterly 375 basis points time the notional amount. Upon a credit default event of a reference entity within CDX BB HY Series 3 Index, the fund receives a payment of the proportional notional amount times the difference between the par value and the then-market value of the reference entity within the CDX BB HY Series 3 Index.</p>       | <p>3,000,000 (143,313)</p> |
| <p>Agreement with Goldman Sachs effective January 13, 2005, maturing on December 20, 2009, to receive a premium based on the difference between the original spread on issue and the market spread on day of execution and pay quarterly 375 basis points time the notional amount. Upon a credit default event of a reference entity within CDX BB HY Series 3 Index, the fund receives a payment of the proportional notional amount times the difference between the par value and the then-market value of the reference entity within the CDX BB HY Series 3 Index.</p>   | <p>3,000,000 (140,312)</p> |
| <p>Agreement with UBS Securities effective January 14, 2005, maturing on December 20, 2009, to receive a premium based on the difference between the original spread on issue and the market spread on day of execution and pay quarterly 375 basis points time the notional amount. Upon a credit default event of a reference entity within CDX BB HY Series 3 Index, the fund receives a payment of the proportional notional amount times the difference between the par value and the then-market value of the reference entity within the CDX BB HY Series 3 Index.</p>  | <p>3,000,000 (133,440)</p> |
| <p>Agreement with Lehman Brothers effective January 14, 2005, maturing on December 20, 2009, to receive a premium based on the difference between the original spread on issue and the market spread on day of execution and pay quarterly 375 basis points time the notional amount. Upon a credit default event of a reference entity within CDX BB HY Series 3 Index, the fund receives a payment of the proportional notional amount times the difference between the par value and the then-market value of the reference entity within the CDX BB HY Series 3 Index.</p> | <p>1,000,000 (44,478)</p>  |
| <p>Agreement with Goldman Sachs effective September 2, 2004, terminating on the date on which the notional amount is reduced to zero or the date on which the assets securing the reference standing notional amount times 2.35% and the fund pays in the event of a credit default in one of the underlying securities in the basket of BB CMBS securities.</p>   | <p>1,604,741 82,697</p>    |
| <p>Agreement with Goldman Sachs effective September 2, 2004, terminating on the date on which the notional amount is reduced to zero or the date on which the assets securing the reference obligation are liquidated, the fund receives a payment of the outstanding notional amount times 2.55625% and the fund pays in the event of a credit default in one of the underlying securities in the basket of BB CMBS securities.</p>   | <p>1,604,741 50,441</p>    |
| <p>Agreement with Goldman Sachs effective September 2, 2004,</p>   |                            |

Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

terminating on the date on which the notional amount is reduced to zero or the date on which the assets securing the reference obligation are liquidated, the fund receives a payment of the outstanding notional amount times 2.4625% and the fund pays in the event of a credit default in one of the underlying securities in the basket of BB CMBS securities.

802,370 38,453

Agreement with Goldman Sachs effective September 2, 2004, terminating on the date on which the notional amount is reduced to zero or the date on which the assets securing the reference obligation are liquidated, the fund receives a payment of the outstanding notional amount times 2.433% and the fund pays in the event of a credit default in one of the underlying securities in the basket of BB CMBS securities.

601,778 27,287

Agreement with Goldman Sachs effective September 2, 2004, terminating on the date on which the notional amount is reduced to zero or the date on which the assets securing the reference obligation are liquidated, the fund receives a payment of the outstanding notional amount times 2.475% and the fund pays in the event of a credit default in one of the underlying securities in the basket of BB CMBS securities.

401,185 16,913

Agreement with Goldman Sachs effective September 2, 2004, terminating on the date on which the notional amount is reduced to zero or the date on which the assets securing the reference obligation are liquidated, the fund receives a payment of the outstanding notional amount times 2.5% and the fund pays in the event of a credit default in one of the underlying securities in the basket of BB CMBS securities.

200,593 13,193

Agreement with Goldman Sachs effective September 2, 2004, terminating on the date on which the notional amount is reduced to zero or the date on which the assets securing the reference obligation are liquidated, the fund receives a payment of the outstanding notional amount times 2.6% and the fund pays in the event of a credit default in one of the underlying securities in the basket of BB CMBS securities.

200,593 2,071

-----  
\$ (1,101,912)  
-----

The accompanying notes are an integral part of these financial statements.

Statement of assets and liabilities  
January 31, 2005 (Unaudited)

Assets

Investment in securities, at value, including \$142,736 of securities on loan (Note 1):

Unaffiliated issuers (identified cost \$958,027,012) \$975,872,474

Affiliated issuers (identified cost \$128,556,834) (Note 4) 128,556,834

Cash 17,311,302



## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|   |                 |
|---|-----------------|
| Foreign currency (cost \$2,182,882) (Note 1)  | 2,198,515       |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Interest and other receivables  | 13,520,506      |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Receivable for securities sold  | 48,798,082      |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Receivable for open swap contracts (Note 1)   | 1,762,192       |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Receivable for open credit default contracts (Note 1)                                       | 231,055         |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Receivable for variation margin (Note 1)  | 211,163         |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Receivable for open forward currency contracts (Note 1)                                     | 4,312,861       |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Receivable for closed forward currency contracts (Note 1)                                   | 2,229,119       |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Total assets  | 1,195,004,103   |
| <br>  |                 |
| Liabilities   |                 |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Distributions payable to shareholders   | 5,497,338       |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Payable for securities purchased  | 133,715,408     |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Payable for compensation of Manager (Note 2)  | 1,728,214       |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Payable for investor servicing and custodian fees (Note 2)                                  | 125,030         |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Payable for Trustee compensation and expenses (Note 2)                                      | 104,730         |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Payable for administrative services (Note 2)  | 5,101           |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Payable for open forward currency contracts (Note 1)  | 2,227,506       |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Payable for closed forward currency contracts (Note 1)                                      | 1,919,135       |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Payable for open swap contracts (Note 1)  | 517,946         |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Payable for open credit default contracts (Note 1)  | 1,332,967       |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| TBA sales commitments, at value (proceeds receivable \$17,492,938) (Note 1)                 | 17,492,953      |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Collateral on securities loaned, at value \$142,736 (Note 1)                                | 148,891         |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Other accrued expenses  | 175,165         |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Total liabilities   | 164,990,384     |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Net assets  | \$1,030,013,719 |
| <br>  |                 |
| Represented by  |                 |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Paid-in capital (Unlimited shares authorized) (Note 1)                                      | \$1,206,712,544 |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Undistributed net investment income (Note 1)  | 9,022,827       |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Accumulated net realized loss on investments and foreign currency transactions (Note 1)     | (206,598,610)   |
| <hr style="border-top: 1px dashed black;"/>   |                 |
| Net unrealized appreciation of investments and assets and liabilities in foreign currencies | 20,876,958      |

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

-----  
Total -- Representing net assets applicable to capital  
shares outstanding \$1,030,013,719

Computation of net asset value  
-----

Net asset value per share (\$1,030,013,719 divided by  
141,198,870 shares) \$7.29  
-----

The accompanying notes are an integral part of these financial statements.

Statement of operations  
Six months ended January 31, 2005 (Unaudited)

Investment income:

-----  
Interest (including interest income of \$1,232,497 from  
investments in affiliated issuers) (Note 4) \$30,384,909  
-----

Dividends 200,880  
-----

Securities lending 1,837  
-----

Total investment income 30,587,626

Expenses:

-----  
Compensation of Manager (Notes 2 and 4) 3,555,042  
-----

Investor servicing (Note 2) 255,136  
-----

Custodian fees (Note 2) 175,451  
-----

Trustee compensation and expenses (Note 2) 19,510  
-----

Administrative services (Note 2) 22,532  
-----

Other 388,306  
-----

Fees waived and reimbursed by Manager (Note 4) (95,997)  
-----

Total expenses 4,319,980  
-----

Expense reduction (Note 2) (15,710)  
-----

Net expenses 4,304,270  
-----

Net investment income 26,283,356  
-----

Net realized gain on investments (Notes 1 and 3) 10,977,792  
-----

Net realized gain on swap contracts (Note 1) 498,330  
-----

Net realized gain on credit default contracts (Note 1) 659,675  
-----

Net realized gain on futures contracts (Note 1) 3,419,430  
-----

Net realized gain on foreign currency transactions (Note 1) 49,867  
-----

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

|  |              |
|--|--------------|
| Net unrealized appreciation of assets and liabilities in foreign currencies during the period  | 1,676,296    |
| <hr style="border-top: 1px dashed black;"/>  |              |
| Net unrealized appreciation of investments, futures contracts, swap contracts, credit default contracts and TBA sale commitments during the period | 26,812,765   |
| <hr style="border-top: 1px dashed black;"/>  |              |
| Net gain on investments  | 44,094,155   |
| <hr style="border-top: 1px dashed black;"/>  |              |
| Net increase in net assets resulting from operations   | \$70,377,511 |
| <hr style="border-top: 1px dashed black;"/>  |              |

The accompanying notes are an integral part of these financial statements.

### Statement of changes in net assets

|   | Six months ended<br>January 31<br>2005* | Year ended<br>July 31<br>2004 |
|---|---|-------------------------------|
| Increase in net assets  |   |                               |
| <hr style="border-top: 1px dashed black;"/>   |   |                               |
| Operations:   |   |                               |
| <hr style="border-top: 1px dashed black;"/>   |   |                               |
| Net investment income   | \$26,283,356                            | \$61,479,944                  |
| <hr style="border-top: 1px dashed black;"/>   |   |                               |
| Net realized gain on investments and foreign currency transactions  | 15,605,094                              | 21,907,198                    |
| <hr style="border-top: 1px dashed black;"/>   |   |                               |
| Net unrealized appreciation of investments and assets and liabilities in foreign currencies                 | 28,489,061                              | 22,638,395                    |
| <hr style="border-top: 1px dashed black;"/>   |   |                               |
| Net increase in net assets resulting from operations  | 70,377,511                              | 106,025,537                   |
| <hr style="border-top: 1px dashed black;"/>   |   |                               |
| Distributions to shareholders: (Note 1)   |   |                               |
| <hr style="border-top: 1px dashed black;"/>   |   |                               |
| From net investment income  | (33,039,598)                            | (66,079,263)                  |
| <hr style="border-top: 1px dashed black;"/>   |   |                               |
| Total increase in net assets  | 37,337,913                              | 39,946,274                    |
| <hr style="border-top: 1px dashed black;"/>   |   |                               |
| Net assets  |   |                               |
| <hr style="border-top: 1px dashed black;"/>   |   |                               |
| Beginning of period   | 992,675,806                             | 952,729,532                   |
| <hr style="border-top: 1px dashed black;"/>   |   |                               |
| End of period (including undistributed net investment income of \$9,022,827 and \$15,779,069, respectively) | \$1,030,013,719                         | \$992,675,806                 |
| <hr style="border-top: 1px dashed black;"/>   |   |                               |
| Number of fund shares   |   |                               |
| <hr style="border-top: 1px dashed black;"/>   |   |                               |
| Shares outstanding at beginning and end of period   | 141,198,870                             | 141,198,870                   |
| <hr style="border-top: 1px dashed black;"/>   |   |                               |

\* Unaudited

The accompanying notes are an integral part of these financial statements.

Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

Financial highlights

(For a common share outstanding throughout the period)

| Per-share<br>operating performance                          | Six months<br>ended<br>January 31<br>(Unaudited)<br>2005 | 2004      | 2003      | Year ended<br>2002 |
|---|--|-----------|-----------|--------------------|
| Net asset value,<br>beginning of period                     | \$7.03   | \$6.75    | \$6.22    | \$6.68             |
| Investment operations:                                      |  |           |           |                    |
| Net investment income (a)                                   | .19 (e)  | .44 (e)   | .51       | .55                |
| Net realized and unrealized<br>gain (loss) on investments   | .30  | .31       | .54       | (.47)              |
| Total from<br>investment operations                         | .49  | .75       | 1.05      | .08                |
| Less distributions:   |  |           |           |                    |
| From net<br>investment income                               | (.23)  | (.47)     | (.52)     | (.53)              |
| From return<br>of capital                                   | --   | --        | --        | (.01)              |
| Total distributions   | (.23)  | (.47)     | (.52)     | (.54)              |
| Net asset value,<br>end of period                           | \$7.29   | \$7.03    | \$6.75    | \$6.22             |
| Market price,<br>end of period                              | \$6.65   | \$6.29    | \$6.31    | \$6.03             |
| Total return at<br>market price (%) (b)                     | 9.53*  | 7.18      | 13.41     | 4.44               |
| Ratios and supplemental data                                |  |           |           |                    |
| Net assets, end of period<br>(in thousands)                 | \$1,030,014  | \$992,676 | \$952,730 | \$877,649          |
| Ratio of expenses to<br>average net assets (%) (c)          | .42 (e) *  | .83 (e)   | .85       | .86                |
| Ratio of net investment income<br>to average net assets (%) | 2.58 (e) *   | 6.19 (e)  | 7.91      | 8.39               |
| Portfolio turnover (%)                                      | 122.20*  | 78.43     | 96.21 (d) | 175.78             |

\* Not annualized.

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

- (a) Per share net investment income has been determined on the basis of the weighted average number of shares outstanding during the period.
- (b) Total return assumes dividend reinvestment.
- (c) Includes amounts paid through expense offset arrangements (Note 2).
- (d) Portfolio turnover excludes certain treasury note transactions executed in connection with a
- (e) Reflects waivers of certain fund expenses in connection with Putnam Prime Money Market Fund of such waivers, the expenses of the fund for the periods ended January 31, 2005 and July 31, less than 0.01% of average net assets (Note 4).

The accompanying notes are an integral part of these financial statements.

Notes to financial statements  
January 31, 2005 (Unaudited)

Note 1  
Significant accounting policies

Putnam Premier Income Trust (the "fund"), a Massachusetts business trust, is registered under the Investment Company Act of 1940, as amended, as a non-diversified, closed-end management investment company. The fund's investment objective is to seek high current income consistent with the preservation of capital by allocating its investments among the U.S. government sector, high yield sector and international sector of the fixed-income securities market. The fund invests in higher yielding, lower-rated bonds that have a higher rate of default due to the nature of the investments.

The following is a summary of significant accounting policies consistently followed by the fund in the preparation of its financial statements. The preparation of financial statements is in conformity with accounting principles generally accepted in the United States of America and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

A) Security valuation Investments for which market quotations are readily available are valued at the last reported sales price on their principal exchange, or official closing price for certain markets. If no sales are reported -- as in the case of some securities traded over-the-counter -- a security is valued at its last reported bid price. Market quotations are not considered to be readily available for certain debt obligations; such investments are valued at fair value on the basis of valuations furnished by an independent pricing service or dealers, approved by the Trustees. Such services or dealers determine valuations for normal institutional-size trading units of such securities using methods based on market transactions for comparable securities and various relationships, generally recognized by institutional traders, between securities. Many securities markets and exchanges outside the U.S. close prior to the close of the New York Stock Exchange and therefore the closing prices for securities in such markets or on such

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

exchanges may not fully reflect events that occur after such close but before the close of the New York Stock Exchange. Accordingly, on certain days, the fund will fair value foreign securities taking into account multiple factors, including movements in the U.S. securities markets. The number of days on which fair value prices will be used will depend on market activity and it is possible that fair value prices will be used by the fund to a significant extent. Securities quoted in foreign currencies are translated into U.S. dollars at the current exchange rate. Short-term investments having remaining maturities of 60 days or less are valued at amortized cost, which approximates fair value. Other investments, including certain restricted securities, are valued at fair value following procedures approved by the Trustees. Such valuations and procedures are reviewed periodically by the Trustees.

B) Joint trading account Pursuant to an exemptive order from the Securities and Exchange Commission ("SEC"), the fund may transfer uninvested cash balances, including cash collateral received under security lending arrangements, into a joint trading account along with the cash of other registered investment companies and certain other accounts managed by Putnam Investment Management, LLC ("Putnam Management"), the fund's manager, an indirect wholly-owned subsidiary of Putnam, LLC. These balances may be invested in issues of high-grade short-term investments having maturities of up to 397 days for collateral received under security lending arrangements and up to 90 days for other cash investments.

C) Security transactions and related investment income Security transactions are recorded on the trade date (date the order to buy or sell is executed). Gains or losses on securities sold are determined on the identified cost basis.

Interest income is recorded on the accrual basis. Dividend income, net of applicable withholding taxes, is recognized on the ex-dividend date except that certain dividends from foreign securities are recognized as soon as the fund is informed of the ex-dividend date. Non-cash dividends, if any, are recorded at the fair market value of the securities received. All premiums/discounts are amortized /accreted on a yield-to-maturity basis. The fund earned certain fees in connection with its senior loan purchasing activities. These fees are treated as market discount and are recorded as income in the statement of operations.

D) Foreign currency translation The accounting records of the fund are maintained in U.S. dollars. The market value of foreign securities, currency holdings, and other assets and liabilities are recorded in the books and records of the fund after translation to U.S. dollars based on the exchange rates on that day. The cost of each security is determined using historical exchange rates. Income and withholding taxes are translated at prevailing exchange rates when earned or incurred. The fund does not isolate that portion of realized or unrealized gains or losses resulting from changes in the foreign exchange rate on investments from fluctuations arising from changes in the market prices of the securities. Such gains and losses are included with the net realized and unrealized gain or loss on investments. Net realized gains and losses on foreign currency transactions represent net realized exchange gains or losses on closed forward currency contracts, disposition of foreign currencies, currency gains and losses realized between the trade and settlement dates on securities transactions and the difference between the amount of investment income and foreign withholding taxes recorded on the fund's books and the U.S. dollar equivalent amounts actually received or paid. Net unrealized appreciation and depreciation of assets and liabilities in foreign currencies arise from changes in the value of open forward currency

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

contracts and assets and liabilities other than investments at the period end, resulting from changes in the exchange rate. Investments in foreign securities involve certain risks, including those related to economic instability, unfavorable political developments, and currency fluctuations, not present with domestic investments.

E) Forward currency contracts The fund may buy and sell forward currency contracts, which are agreements between two parties to buy and sell currencies at a set price on a future date. These contracts are used to protect against a decline in value relative to the U.S. dollar of the currencies in which its portfolio securities are denominated or quoted (or an increase in the value of a currency in which securities a fund intends to buy are denominated, when a fund holds cash reserves and short term investments). The U.S. dollar value of forward currency contracts is determined using current forward currency exchange rates supplied by a quotation service. The market value of the contract will fluctuate with changes in currency exchange rates. The contract is marked to market daily and the change in market value is recorded as an unrealized gain or loss. When the contract is closed, the fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. The fund could be exposed to risk if the value of the currency changes unfavorably, if the counterparties to the contracts are unable to meet the terms of their contracts or if the fund is unable to enter into a closing position. Risks may exceed amounts recognized on the statement of assets and liabilities. Forward currency contracts outstanding at period end, if any, are listed after the fund's portfolio.

F) Futures and options contracts The fund may use futures and options contracts to hedge against changes in the values of securities the fund owns or expects to purchase. The fund may also write options on securities it owns or in which it may invest to increase its current returns.

The potential risk to the fund is that the change in value of futures and options contracts may not correspond to the change in value of the hedged instruments. In addition, losses may arise from changes in the value of the underlying instruments, if there is an illiquid secondary market for the contracts, or if the counterparty to the contract is unable to perform. Risks may exceed amounts recognized on the statement of assets and liabilities. When the contract is closed, the fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. Realized gains and losses on purchased options are included in realized gains and losses on investment securities. If a written call option is exercised, the premium originally received is recorded as an addition to sales proceeds. If a written put option is exercised, the premium originally received is recorded as a reduction to the cost of investments.

Futures contracts are valued at the quoted daily settlement prices established by the exchange on which they trade. The fund and the broker agree to exchange an amount of cash equal to the daily fluctuation in the value of the futures contract. Such receipts or payments are known as "variation margin." Exchange traded options are valued at the last sale price, or if no sales are reported, the last bid price for purchased options and the last ask price for written options. Options traded over-the-counter are valued using prices supplied by dealers. Futures and written option contracts outstanding at period end, if any, are listed after the fund's portfolio.

G) Interest rate swap contracts The fund may enter into interest rate

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

swap contracts, which are arrangements between two parties to exchange cash flows based on a notional principal amount, to manage the fund's exposure to interest rates. Interest rate swap contracts are marked to market daily based upon quotations from market makers and the change, if any, is recorded as unrealized gain or loss. Payments received or made are recorded as realized gains or loss. The fund could be exposed to credit or market risk due to unfavorable changes in the fluctuation of interest rates or if the counterparty defaults on its obligation to perform. Risk of loss may exceed amounts recognized on the statement of assets and liabilities. Interest rate swap contracts outstanding at period end, if any, are listed after the fund's portfolio.

H) Credit default contracts The fund may enter into credit default contracts where one party, the protection buyer, makes an upfront or periodic payment to a counter party, the protection seller, in exchange for the right to receive a contingent payment. The maximum amount of the payment may equal the notional amount, at par, of the underlying index or security as a result of a related credit event. An upfront payment received by the fund, as the protection seller, is recorded as a liability on the fund's books. An upfront payment made by the fund, as the protection buyer, is recorded as an asset on the fund's books. Periodic payments received or paid by the fund are recorded as realized gains or losses. The credit default contracts are marked to market daily based upon quotations from market makers and the change, if any, is recorded as unrealized gain or loss. Payments received or made as a result of a credit event or termination of the contract are recognized, net of a proportional amount of the upfront payment, as realized gains or losses. In addition to bearing the risk that the credit event will occur, the fund could be exposed to market risk due to unfavorable changes in interest rates or in the price of the underlying security or index, the possibility that the fund may be unable to close out its position at the same time or at the same price as if it had purchased comparable publicly traded securities or that the counterparty may default on its obligation to perform. Risks of loss may exceed amounts recognized on the statement of assets and liabilities. Credit default contracts outstanding at period end, if any, are listed after the fund's portfolio.

I) TBA purchase commitments The fund may enter into "TBA" (to be announced) commitments to purchase securities for a fixed unit price at a future date beyond customary settlement time. Although the unit price has been established, the principal value has not been finalized. However, the amount of the commitments will not significantly differ from the principal amount. The fund holds, and maintains until settlement date, cash or high-grade debt obligations in an amount sufficient to meet the purchase price, or the fund may enter into offsetting contracts for the forward sale of other securities it owns. Income on the securities will not be earned until settlement date. TBA purchase commitments may be considered securities themselves, and involve a risk of loss if the value of the security to be purchased declines prior to the settlement date, which risk is in addition to the risk of decline in the value of the fund's other assets. Unsettled TBA purchase commitments are valued at fair value of the underlying securities, according to the procedures described under "Security valuation" above. The contract is "marked-to-market" daily and the change in market value is recorded by the fund as an unrealized gain or loss.

Although the fund will generally enter into TBA purchase commitments with the intention of acquiring securities for its portfolio or for delivery pursuant to options contracts it has entered into, the fund may dispose of a commitment prior to settlement if Putnam Management deems it appropriate to do so.



## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

J) TBA sale commitments The fund may enter into TBA sale commitments to hedge its portfolio positions or to sell mortgage-backed securities it owns under delayed delivery arrangements. Proceeds of TBA sale commitments are not received until the contractual settlement date. During the time a TBA sale commitment is outstanding, equivalent deliverable securities or an offsetting TBA purchase commitment deliverable on or before the sale commitment date, are held as "cover" for the transaction.

Unsettled TBA sale commitments are valued at fair value of the underlying securities, generally according to the procedures described under "Security valuation" above. The contract is "marked-to-market" daily and the change in market value is recorded by the fund as an unrealized gain or loss. If the TBA sale commitment is closed through the acquisition of an offsetting purchase commitment, the fund realizes a gain or loss. If the fund delivers securities under the commitment, the fund realizes a gain or a loss from the sale of the securities based upon the unit price established at the date the commitment was entered into. TBA sale commitments outstanding at period end, if any, are listed after the fund's portfolio.

K) Security lending The fund may lend securities, through its agents, to qualified borrowers in order to earn additional income. The loans are collateralized by cash and/or securities in an amount at least equal to the market value of the securities loaned. The market value of securities loaned is determined daily and any additional required collateral is allocated to the fund on the next business day. The risk of borrower default will be borne by the fund's agents; the fund will bear the risk of loss with respect to the investment of the cash collateral. Income from securities lending is included in investment income on the statement of operations. At January 31, 2005, the value of securities loaned amounted to \$142,736. The fund received cash collateral of \$148,891 which is pooled with collateral of other Putnam funds into 25 issuers of high grade short-term investments.

L) Federal taxes It is the policy of the fund to distribute all of its taxable income within the prescribed time and otherwise comply with the provisions of the Internal Revenue Code of 1986 (the "Code") applicable to regulated investment companies. It is also the intention of the fund to distribute an amount sufficient to avoid imposition of any excise tax under Section 4982 of the Code, as amended. Therefore, no provision has been made for federal taxes on income, capital gains or unrealized appreciation on securities held nor for excise tax on income and capital gains.

At July 31, 2004, the fund had a capital loss carryover of \$221,029,478 available to the extent allowed by the Code to offset future net capital gain, if any. The amount of the carryover and the expiration dates are:

| Loss Carryover | Expiration    |
|----------------|---------------|
| \$26,204,240   | July 31, 2007 |
| 44,857,570     | July 31, 2008 |
| 24,930,247     | July 31, 2009 |
| 44,917,486     | July 31, 2010 |
| 80,119,935     | July 31, 2011 |

The aggregate identified cost on a tax basis is \$1,088,282,090, resulting in gross unrealized appreciation and depreciation of \$56,574,185 and \$40,426,967, respectively, or net unrealized appreciation of \$16,147,218.

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

M) Distributions to shareholders Distributions to shareholders from net investment income are recorded by the fund on the ex-dividend date. Distributions from capital gains, if any, are recorded on the ex-dividend date and paid at least annually. The amount and character of income and gains to be distributed are determined in accordance with income tax regulations, which may differ from generally accepted accounting principles. Reclassifications are made to the fund's capital accounts to reflect income and gains available for distribution (or available capital loss carryovers) under income tax regulations.

### Note 2

Management fee, administrative services and other transactions

Putnam Management is paid for management and investment advisory services quarterly based on the average net assets of the fund. Such fee is based on the following annual rates: 0.75% of the first \$500 million of average weekly net assets, 0.65% of the next \$500 million, 0.60% of the next \$500 million and 0.55% thereafter.

Effective September 13, 2004, Putnam Investments Limited ("PIL"), an affiliate of Putnam Management, is authorized by the Trustees to manage a separate portion of the assets of the fund as determined by Putnam Management from time to time. Putnam Management pays a quarterly sub-management fee to PIL for its services at an annual rate 0.40% of the average net assets of the portion of the fund managed by PIL.

The fund reimburses Putnam Management an allocated amount for the compensation and related expenses of certain officers of the fund and their staff who provide administrative services to the fund. The aggregate amount of all such reimbursements is determined annually by the Trustees.

Custodial functions for the fund's assets are provided by Putnam Fiduciary Trust Company ("PFTC"), a subsidiary of Putnam, LLC. Putnam Investor Services, a division of PFTC, provides investor servicing agent functions to the fund. During the six months ended January 31, 2005, the fund paid PFTC \$430,587 for these services.

The fund has entered into an arrangement with PFTC whereby credits realized as a result of uninvested cash balances are used to reduce a portion of the fund's expenses. For the six months ended January 31, 2005, the fund's expenses were reduced by \$15,710 under these arrangements.

Each independent Trustee of the fund receives an annual Trustee fee, of which \$1,940, as a quarterly retainer, has been allocated to the fund, and an additional fee for each Trustees meeting attended. Trustees receive additional fees for attendance at certain committee meetings.

The fund has adopted a Trustee Fee Deferral Plan (the "Deferral Plan") which allows the Trustees to defer the receipt of all or a portion of Trustees fees payable on or after July 1, 1995. The deferred fees remain invested in certain Putnam funds until distribution in accordance with the Deferral Plan.

The fund has adopted an unfunded noncontributory defined benefit pension plan (the "Pension Plan") covering all Trustees of the fund who have served as a Trustee for at least five years. Benefits under the Pension Plan are equal to 50% of the Trustee's average total retainer and

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

meeting fees for the three years preceding retirement. Pension expense for the fund is included in Trustee compensation and expenses in the statement of operations. Accrued pension liability is included in Payable for Trustee compensation and expenses in the statement of assets and liabilities. The Trustees have terminated the Pension Plan with respect to any Trustee first elected after 2003.

### Note 3

#### Purchases and sales of securities

During the six months ended January 31, 2005, purchases and proceeds from sales of investment securities other than U.S. government securities and short-term investments aggregated \$1,070,017,708 and \$1,075,493,879, respectively. Purchases and sales of U.S. government securities aggregated no monies and \$9,566,797, respectively.

### Note 4

#### Investment in Putnam Prime Money Market Fund

Pursuant to an exemptive order from the SEC, the fund invests in Putnam Prime Money Market Fund, an open-end management investment company managed by Putnam Management. Management fees paid by the fund are reduced by an amount equal to the management fees paid by Putnam Prime Money Market Fund with respect to assets invested by the fund in Putnam Prime Money Market Fund. For the period ended January 31, 2005, management fees paid were reduced by \$95,997 relating to the fund's investment in Putnam Prime Money Market Fund. Income distributions earned by the fund are recorded as income in the statement of operations and totaled \$1,232,497 for the period ended January 31, 2005.

### Note 5

#### Senior loan commitments

Senior loans are purchased or sold on a when-issued or delayed delivery basis and may be settled a month or more after the trade date; interest income is accrued based on the terms of the securities. Senior loans can be acquired through an agent, by assignment from another holder of the loan, or as a participation interest in another holder's portion of the loan. When the fund invests in a loan or participation, the fund is subject to the risk that an intermediate participant between the fund and the borrower will fail to meet its obligations to the fund, in addition to the risk that the borrower under the loan may default on its obligations.

### Note 6

#### Merger of Putnam Master Income Trust into the fund

On February 25, 2005 Putnam Master Income Trust transferred all of its assets into the fund in exchange for the shares of the fund and the assumption by the fund of all of the liabilities of Putnam Master Income Trust.

### Note 7

#### Regulatory matters and litigation

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

Putnam Management has entered into agreements with the Securities and Exchange Commission and the Massachusetts Securities Division settling charges connected with excessive short-term trading by Putnam employees and, in the case of the charges brought by the Massachusetts Securities Division, by participants in some Putnam-administered 401(k) plans. Pursuant to these settlement agreements, Putnam Management will pay a total of \$193.5 million in penalties and restitution, with \$153.5 million being paid to shareholders and the funds. The restitution amount will be allocated to shareholders pursuant to a plan developed by an independent consultant, with payments to shareholders currently expected by the end of the summer.

The SEC's and Massachusetts Securities Division's allegations and related matters also serve as the general basis for numerous lawsuits, including purported class action lawsuits filed against Putnam Management and certain related parties, including certain Putnam funds. Putnam Management will bear any costs incurred by Putnam funds in connection with these lawsuits. Putnam Management believes that the likelihood that the pending private lawsuits and purported class action lawsuits will have a material adverse financial impact on the fund is remote, and the pending actions are not likely to materially affect its ability to provide investment management services to its clients, including the Putnam funds.

Results of January 13, 2005  
shareholder meeting  
(Unaudited)

A special meeting of shareholders of the fund was held on January 13, 2005. At the meeting, the following proposal was approved:

Approving an Agreement and Plan of Reorganization and the transactions contemplated thereby, including the transfer of all of the assets of Putnam Master Income Trust to Putnam Premier Income Trust in exchange for the issuance and delivery of shares of beneficial interest of Putnam Premier Income Trust and the assumption by Putnam Premier Income Trust of the liabilities of Putnam Master Income Trust, and the distribution of such shares to the shareholders of Putnam Master income Trust in complete liquidation of Putnam Master Income Trust.

| Votes<br>For | Votes<br>Against | Abstentions |
|--------------|------------------|-------------|
| 67,764,834   | 4,292,013        | 3,413,230   |

Fund information

About Putnam Investments

One of the largest mutual fund families in the United States, Putnam Investments has a heritage of investment leadership dating back to Judge Samuel Putnam, whose Prudent Man Rule has defined fiduciary tradition and practice since 1830. Founded over 65 years ago, Putnam Investments was built around the concept that a balance between risk and reward is the hallmark of a well-rounded financial program. We presently manage over 100 mutual funds in growth, value, blend, fixed income, and international.

Investment Manager

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

Putnam Investment Management, LLC  
One Post Office Square  
Boston, MA 02109

Investment Sub-Manager

Putnam Investments Limited  
57-59 St. James Street  
London, England SW1A 1LD

Marketing Services

Putnam Retail Management  
One Post Office Square  
Boston, MA 02109

Custodian

Putnam Fiduciary  
Trust Company

Legal Counsel

Ropes & Gray LLP

Trustees

John A. Hill, Chairman  
Jameson Adkins Baxter  
Charles B. Curtis  
Myra R. Drucker  
Charles E. Haldeman, Jr.  
Ronald J. Jackson  
Paul L. Joskow  
Elizabeth T. Kennan  
John H. Mullin, III  
Robert E. Patterson  
George Putnam, III  
W. Thomas Stephens  
Richard B. Worley

Officers

George Putnam, III  
President

Charles E. Porter  
Executive Vice President,  
Associate Treasurer and  
Principal Executive Officer

Jonathan S. Horwitz  
Senior Vice President  
and Treasurer

Steven D. Krichmar  
Vice President and  
Principal Financial Officer

Michael T. Healy  
Assistant Treasurer and

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

Principal Accounting Officer

Daniel T. Gallagher  
Vice President and Legal and  
Compliance Liaison Officer

Beth S. Mazor  
Vice President

James P. Pappas  
Vice President

Richard S. Robie, III  
Vice President

Mark C. Trenchard  
Vice President and  
BSA Compliance Officer

Francis J. McNamara, III  
Vice President and  
Chief Legal Officer

Charles A. Ruys de Perez  
Vice President and  
Chief Compliance Officer

Judith Cohen  
Clerk and Assistant Treasurer

Call 1-800-225-1581 weekdays from 9 a.m. to 5 p.m. Eastern Time, or  
visit our Web site ([www.putnaminvestments.com](http://www.putnaminvestments.com)) any time for up-to-date  
information about the fund's NAV.

[LOGO OMITTED]

PUTNAM INVESTMENTS

The Putnam Funds  
One Post Office Square  
Boston, Massachusetts 02109

PRSRRT STD  
U.S. POSTAGE PAID  
PUTNAM  
INVESTMENTS

Do you want to save paper and receive this document faster?  
Shareholders can sign up for email delivery of shareholder  
reports on [www.putnaminvestments.com](http://www.putnaminvestments.com).

220213 3/05

Item 2. Code of Ethics:

-----  
Not applicable

## Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

Item 3. Audit Committee Financial Expert:

-----  
Not applicable

Item 4. Principal Accountant Fees and Services:

-----  
Not applicable

Item 5. Audit Committee: Not applicable

-----  
Item 6. Schedule of Investments: Not applicable

Item 7. Disclosure of Proxy Voting Policies and Procedures For Closed-End

-----  
Management Investment Companies: Not applicable  
-----

Item 8. Purchases of Equity Securities by Closed-End Management Investment

-----  
Companies and Affiliated Purchasers: Not applicable  
-----

Item 9. Submission of Matters to a Vote of Security Holders:

-----  
Not applicable

Item 10. Controls and Procedures:

-----  
(a) The registrant's principal executive officer and principal financial officer have concluded, based on their evaluation of the effectiveness of the design and operation of the registrant's disclosure controls and procedures as of a date within 90 days of the filing date of this report, that the design and operation of such procedures are generally effective to provide reasonable assurance that information required to be disclosed by the registrant in this report is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms.

(b) Changes in internal control over financial reporting:

Not applicable

Item 11. Exhibits:

-----  
(a) Not applicable

(b) A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2 under the Investment Company Act of 1940, as amended, and the officer certifications as required by Section 906 of the Sarbanes-Oxley Act of 2002 are filed herewith.

### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Edgar Filing: PUTNAM PREMIER INCOME TRUST - Form N-CSR

NAME OF REGISTRANT

By (Signature and Title):                    /s/Michael T. Healy  
-----  
Michael T. Healy  
Principal Accounting Officer

Date: March 28, 2005

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title):                    /s/Charles E. Porter  
-----  
Charles E. Porter  
Principal Executive Officer

Date: March 28, 2005

By (Signature and Title):                    /s/Steven D. Krichmar  
-----  
Steven D. Krichmar  
Principal Financial Officer

Date: March 28, 2005