

PUTNAM PREMIER INCOME TRUST
Form N-Q
June 28, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT
INVESTMENT COMPANY**

Investment Company Act file number:
(811-05452)

Exact name of registrant as
specified in charter: Putnam Premier Income Trust

Address of principal executive offices: One Post Office Square, Boston, Massachusetts 02109

Name and address of agent for
service: Beth S. Mazor, Vice President
One Post Office Square
Boston, Massachusetts 02109

Copy to: John W. Gerstmayr, Esq.
Ropes & Gray LLP
800 Boylston Street
Boston, Massachusetts 02199-3600

Registrant's telephone number, including
area code: (617) 292-1000

Date of fiscal year end: July 31,
2011

Date of reporting period: April 30,
2011

Item 1. Schedule of Investments:

Putnam Premier Income Trust

The fund's portfolio
4/30/11 (Unaudited)

CORPORATE BONDS AND NOTES (29.6%)(a)

Principal
amount Value

FORWARD CURRENCY CONTRACTS at 4/30/11 (aggregate face value \$557,805,429) (Unaudited)

Counterparty	Currency	Contract type	Delivery date	Value	Aggregate face value	Unrealized appreciation/ (depreciation)
Bank of America, N.A.						
	Australian Dollar	Buy	5/24/11	\$3,981,142	\$3,815,577	\$165,565
	Brazilian Real	Buy	5/24/11	846,350	824,876	21,474
	British Pound	Sell	5/24/11	7,742,410	7,469,424	(272,986)
	Canadian Dollar	Sell	5/24/11	2,122,469	2,098,297	(24,172)
	Chilean Peso	Buy	5/24/11	54,790	53,270	1,520
	Czech Koruna	Buy	5/24/11	604,385	595,791	8,594
	Euro	Buy	5/24/11	6,118,313	5,859,374	258,939
	Japanese Yen	Sell	5/24/11	1,631,115	1,575,301	(55,814)
	Mexican Peso	Sell	5/24/11	464,553	458,710	(5,843)
	Norwegian Krone	Buy	5/24/11	4,079,452	3,885,094	194,358
	Singapore Dollar	Buy	5/24/11	1,743,701	1,692,239	51,462
	South African Rand	Buy	5/24/11	1,369,027	1,337,506	31,521
	South Korean Won	Buy	5/24/11	3,932,795	3,864,436	68,359
	Swedish Krona	Sell	5/24/11	2,112,093	2,011,589	(100,504)
	Swiss Franc	Sell	5/24/11	1,568,031	1,467,474	(100,557)
	Taiwan Dollar	Sell	5/24/11	57,097	56,256	(841)
	Turkish Lira	Sell	5/24/11	729,474	720,648	(8,826)
Barclays Bank PLC						
	Australian Dollar	Buy	5/24/11	6,850,667	6,446,952	403,715

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	Brazilian Real	Buy	5/24/11	741,391	721,685	19,706
	British Pound	Sell	5/24/11	10,755,676	10,388,229	(367,447)
	Canadian Dollar	Buy	5/24/11	1,848,430	1,838,422	10,008
	Chilean Peso	Buy	5/24/11	1,324,815	1,304,587	20,228
	Czech Koruna	Buy	5/24/11	783,945	776,332	7,613
	Euro	Buy	5/24/11	8,966,606	8,596,977	369,629
	Hungarian Forint	Buy	5/24/11	2,214,434	2,108,236	106,198
	Indian Rupee	Sell	5/24/11	2,698,454	2,675,585	(22,869)
	Japanese Yen	Sell	5/24/11	2,436,634	2,354,574	(82,060)
	Malaysian Ringgit	Buy	5/24/11	1,392,698	1,368,962	23,736
	Mexican Peso	Buy	5/24/11	1,917,384	1,863,979	53,405
	New Zealand Dollar	Sell	5/24/11	995,492	955,593	(39,899)
	Norwegian Krone	Buy	5/24/11	1,153,256	1,099,409	53,847
	Philippines Peso	Buy	5/24/11	1,160,218	1,147,247	12,971
	Polish Zloty	Sell	5/24/11	772,483	720,429	(52,054)
	Russian Ruble	Buy	5/24/11	1,366,812	1,375,282	(8,470)
	Singapore Dollar	Buy	5/24/11	3,581,217	3,475,193	106,024
	South Korean Won	Buy	5/24/11	4,228,956	4,180,976	47,980
	Swedish Krona	Buy	5/24/11	1,744,309	1,723,106	21,203
	Swiss Franc	Sell	5/24/11	4,941,231	4,627,025	(314,206)
	Taiwan Dollar	Sell	5/24/11	19,715	19,560	(155)
	Thai Baht	Buy	5/24/11	1,151,734	1,140,223	11,511
	Turkish Lira	Buy	5/24/11	248,972	246,239	2,733
Citibank, N.A.						
	Australian Dollar	Buy	5/24/11	10,121,840	9,690,629	431,211
	Brazilian Real	Sell	5/24/11	1,883,712	1,831,487	(52,225)
	British Pound	Sell	5/24/11	5,975,413	5,769,772	(205,641)
	Canadian Dollar	Sell	5/24/11	3,790,900	3,690,822	(100,078)
	Chilean Peso	Sell	5/24/11	536,177	521,081	(15,096)
	Czech Koruna	Sell	5/24/11	602,323	578,839	(23,484)
	Danish Krone	Buy	5/24/11	531,681	513,802	17,879
	Euro	Buy	5/24/11	1,413,618	1,355,443	58,175
	Hungarian Forint	Buy	5/24/11	1,374,017	1,308,473	65,544
	Japanese Yen	Sell	5/24/11	10,499,102	10,144,673	(354,429)
	Mexican Peso	Buy	5/24/11	1,955,433	1,905,836	49,597
	New Zealand Dollar	Buy	5/24/11	35,588	34,170	1,418
	Norwegian Krone	Buy	5/24/11	1,252,578	1,193,540	59,038
	Polish Zloty	Buy	5/24/11	2,215,162	2,066,443	148,719
	Singapore Dollar	Buy	5/24/11	381,637	370,391	11,246
	South African Rand	Buy	5/24/11	1,238,873	1,206,806	32,067
	South Korean Won	Buy	5/24/11	2,790,555	2,743,301	47,254
	Swedish Krona	Buy	5/24/11	782,898	745,992	36,906
	Swiss Franc	Buy	5/24/11	1,598,947	1,497,005	101,942
	Taiwan Dollar	Sell	5/24/11	3,402	3,414	12
	Turkish Lira	Buy	5/24/11	652,428	645,433	6,995
Credit Suisse AG						
	Australian Dollar	Buy	5/24/11	3,795,252	3,579,860	215,392
	Brazilian Real	Buy	5/24/11	25,587	24,915	672
	British Pound	Sell	5/24/11	9,457,952	9,171,474	(286,478)
	Canadian Dollar	Sell	5/24/11	3,440,836	3,361,480	(79,356)
	Czech Koruna	Buy	5/24/11	9,463	9,180	283
	Euro	Buy	5/24/11	576,243	552,232	24,011
	Indian Rupee	Sell	5/24/11	1,540,739	1,534,305	(6,434)
	Japanese Yen	Sell	5/24/11	3,873,401	3,740,283	(133,118)
	Malaysian Ringgit	Buy	5/24/11	3,268,448	3,203,543	64,905
	Mexican Peso	Buy	5/24/11	1,477,428	1,451,250	26,178
	Norwegian Krone	Sell	5/24/11	85,615	81,508	(4,107)
	Polish Zloty	Sell	5/24/11	1,444,527	1,346,714	(97,813)
	South African Rand	Buy	5/24/11	1,863,059	1,822,409	40,650
	South Korean Won	Buy	5/24/11	2,779,602	2,729,778	49,824
	Swedish Krona	Buy	5/24/11	2,119,951	2,020,633	99,318
	Swiss Franc	Sell	5/24/11	6,241,323	5,840,882	(400,441)

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Taiwan Dollar	Buy	5/24/11	1,350,808	1,342,304	8,504
Turkish Lira	Sell	5/24/11	468,240	468,032	(208)
Deutsche Bank AG					
Australian Dollar	Buy	5/24/11	1,337,441	1,281,259	56,182
Brazilian Real	Buy	5/24/11	1,137,674	1,106,539	31,135
British Pound	Sell	5/24/11	8,826,798	8,598,590	(228,208)
Canadian Dollar	Buy	5/24/11	565,618	563,889	1,729
Chilean Peso	Buy	5/24/11	474,081	461,318	12,763
Czech Koruna	Sell	5/24/11	961,443	907,932	(53,511)
Euro	Buy	5/24/11	7,547,205	7,232,500	314,705
Hungarian Forint	Buy	5/24/11	1,936,738	1,839,245	97,493
Malaysian Ringgit	Buy	5/24/11	2,113,383	2,072,009	41,374
Mexican Peso	Buy	5/24/11	956,653	929,483	27,170
New Zealand Dollar	Sell	5/24/11	997,838	958,832	(39,006)
Norwegian Krone	Buy	5/24/11	5,147,703	4,895,696	252,007
Peruvian New Sol	Sell	5/24/11	1,852,396	1,860,295	7,899
Philippines Peso	Buy	5/24/11	1,166,917	1,153,100	13,817
Polish Zloty	Buy	5/24/11	1,679,337	1,564,689	114,648
Singapore Dollar	Buy	5/24/11	380,901	369,495	11,406
South Korean Won	Buy	5/24/11	2,963,798	2,910,632	53,166
Swedish Krona	Sell	5/24/11	2,557,877	2,435,295	(122,582)
Swiss Franc	Sell	5/24/11	4,696,682	4,396,393	(300,289)
Taiwan Dollar	Buy	5/24/11	914,614	908,515	6,099
Turkish Lira	Sell	5/24/11	686,263	681,824	(4,439)
Goldman Sachs International					
Australian Dollar	Buy	5/24/11	6,854,058	6,460,454	393,604
British Pound	Buy	5/24/11	926,349	894,503	31,846
Canadian Dollar	Buy	5/24/11	2,039,628	1,993,700	45,928
Chilean Peso	Sell	5/24/11	44,271	43,061	(1,210)
Euro	Buy	5/24/11	846,124	811,433	34,691
Hungarian Forint	Buy	5/24/11	3,274,691	3,149,618	125,073
Japanese Yen	Sell	5/24/11	8,735,570	8,401,442	(334,128)
Norwegian Krone	Buy	5/24/11	2,749,647	2,617,695	131,952
Polish Zloty	Sell	5/24/11	282,503	263,745	(18,758)
South African Rand	Buy	5/24/11	1,593,436	1,567,937	25,499
Swedish Krona	Buy	5/24/11	1,694,923	1,676,035	18,888
Swiss Franc	Sell	5/24/11	4,791,746	4,482,294	(309,452)
HSBC Bank USA, National Association					
Australian Dollar	Buy	5/24/11	11,632,946	11,043,283	589,663
British Pound	Sell	5/24/11	11,592,799	11,283,372	(309,427)
Euro	Buy	5/24/11	1,178,583	1,129,828	48,755
Indian Rupee	Sell	5/24/11	406,167	403,175	(2,992)
Japanese Yen	Sell	5/24/11	4,436,837	4,285,068	(151,769)
Norwegian Krone	Sell	5/24/11	1,735,117	1,651,791	(83,326)
Philippines Peso	Buy	5/24/11	1,166,917	1,154,404	12,513
Singapore Dollar	Buy	5/24/11	2,708,998	2,628,901	80,097
South Korean Won	Buy	5/24/11	3,844,455	3,784,109	60,346
Swiss Franc	Sell	5/24/11	3,011,703	2,820,093	(191,610)
Taiwan Dollar	Sell	5/24/11	72,150	71,091	(1,059)
JPMorgan Chase Bank, N.A.					
Australian Dollar	Buy	5/24/11	2,502,779	2,384,559	118,220
Brazilian Real	Buy	5/24/11	754,567	733,919	20,648
British Pound	Sell	5/24/11	6,579,837	6,353,868	(225,969)
Canadian Dollar	Sell	5/24/11	2,276,526	2,237,140	(39,386)
Chilean Peso	Buy	5/24/11	1,457,952	1,431,599	26,353
Czech Koruna	Buy	5/24/11	586,913	553,336	33,577
Euro	Buy	5/24/11	4,315,739	4,139,273	176,466
Hungarian Forint	Buy	5/24/11	554,094	527,888	26,206
Japanese Yen	Sell	5/24/11	2,989,873	2,889,250	(100,623)
Malaysian Ringgit	Buy	5/24/11	1,652,274	1,619,499	32,775
Mexican Peso	Buy	5/24/11	186,156	181,084	5,072
New Zealand Dollar	Sell	5/24/11	1,062,058	1,019,202	(42,856)

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Norwegian Krone	Buy	5/24/11	5,876,889	5,815,660	61,229
Peruvian New Sol	Sell	5/24/11	407,253	409,004	1,751
Polish Zloty	Sell	5/24/11	4,934,441	4,605,497	(328,944)
Singapore Dollar	Buy	5/24/11	3,117,135	3,026,027	91,108
South African Rand	Buy	5/24/11	922,396	900,891	21,505
South Korean Won	Buy	5/24/11	2,317,881	2,277,126	40,755
Swedish Krona	Sell	5/24/11	273,173	260,238	(12,935)
Swiss Franc	Sell	5/24/11	1,451,893	1,359,182	(92,711)
Taiwan Dollar	Buy	5/24/11	484,103	478,894	5,209
Thai Baht	Buy	5/24/11	1,157,582	1,146,658	10,924
Turkish Lira	Sell	5/24/11	451,257	446,390	(4,867)
Royal Bank of Scotland PLC (The)					
Australian Dollar	Buy	5/24/11	3,813,524	3,653,675	159,849
Brazilian Real	Buy	5/24/11	1,024,823	998,078	26,745
British Pound	Sell	5/24/11	6,050,089	5,883,401	(166,688)
Canadian Dollar	Buy	5/24/11	1,157,652	1,154,174	3,478
Chilean Peso	Buy	5/24/11	1,399,196	1,380,472	18,724
Czech Koruna	Sell	5/24/11	861,825	813,745	(48,080)
Euro	Buy	5/24/11	1,086,794	1,041,517	45,277
Hungarian Forint	Buy	5/24/11	1,729,849	1,645,223	84,626
Indian Rupee	Sell	5/24/11	2,283,709	2,265,063	(18,646)
Japanese Yen	Sell	5/24/11	4,185,917	4,034,904	(151,013)
Malaysian Ringgit	Buy	5/24/11	3,268,481	3,204,585	63,896
Mexican Peso	Buy	5/24/11	2,829,956	2,755,125	74,831
New Zealand Dollar	Sell	5/24/11	79,345	76,250	(3,095)
Norwegian Krone	Buy	5/24/11	2,433,305	2,314,517	118,788
Polish Zloty	Sell	5/24/11	1,110,559	1,092,825	(17,734)
Russian Ruble	Buy	5/24/11	1,366,812	1,371,514	(4,702)
Singapore Dollar	Buy	5/24/11	1,381,695	1,340,948	40,747
South African Rand	Buy	5/24/11	2,612,915	2,552,148	60,767
South Korean Won	Buy	5/24/11	3,711,191	3,647,190	64,001
Swedish Krona	Sell	5/24/11	2,117,117	2,029,415	(87,702)
Swiss Franc	Sell	5/24/11	6,105,617	5,867,111	(238,506)
Taiwan Dollar	Buy	5/24/11	189,854	188,397	1,457
Turkish Lira	Sell	5/24/11	1,486,946	1,478,498	(8,448)
State Street Bank and Trust Co.					
Australian Dollar	Buy	5/24/11	3,858,711	3,792,897	65,814
Brazilian Real	Buy	5/24/11	937,114	911,325	25,789
British Pound	Sell	5/24/11	9,349,530	9,027,859	(321,671)
Canadian Dollar	Sell	5/24/11	3,491,026	3,412,838	(78,188)
Euro	Buy	5/24/11	6,249,992	5,993,618	256,374
Hungarian Forint	Buy	5/24/11	3,625,556	3,451,022	174,534
Japanese Yen	Sell	5/24/11	8,698,173	8,403,238	(294,935)
Malaysian Ringgit	Buy	5/24/11	3,505,440	3,440,519	64,921
Mexican Peso	Sell	5/24/11	393,298	388,355	(4,943)
Norwegian Krone	Buy	5/24/11	2,805,485	2,673,415	132,070
Philippines Peso	Buy	5/24/11	1,166,917	1,154,511	12,406
Polish Zloty	Sell	5/24/11	1,718,358	1,662,085	(56,273)
Singapore Dollar	Buy	5/24/11	944,931	917,050	27,881
South African Rand	Buy	5/24/11	1,418,191	1,387,619	30,572
Swedish Krona	Buy	5/24/11	2,656,218	2,533,013	123,205
Swiss Franc	Sell	5/24/11	474,277	464,123	(10,154)
Taiwan Dollar	Buy	5/24/11	491,234	482,863	8,371
Thai Baht	Buy	5/24/11	1,157,588	1,147,349	10,239
UBS AG					
Australian Dollar	Buy	5/24/11	2,791,734	2,630,955	160,779
Brazilian Real	Buy	5/24/11	692,572	674,080	18,492
British Pound	Sell	5/24/11	9,080,228	8,858,754	(221,474)
Canadian Dollar	Sell	5/24/11	581,574	568,536	(13,038)
Czech Koruna	Buy	5/24/11	412,385	405,490	6,895
Euro	Buy	5/24/11	311,402	298,612	12,790
Hungarian Forint	Buy	5/24/11	3,306,376	3,174,204	132,172

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Indian Rupee	Sell	5/24/11	3,375,183	3,350,320	(24,863)
Japanese Yen	Sell	5/24/11	10,610,655	10,251,011	(359,644)
Mexican Peso	Buy	5/24/11	2,822,119	2,744,804	77,315
New Zealand Dollar	Sell	5/24/11	1,470,915	1,412,288	(58,627)
Norwegian Krone	Buy	5/24/11	3,987,108	3,796,254	190,854
Polish Zloty	Sell	5/24/11	1,975,375	1,882,117	(93,258)
Russian Ruble	Buy	5/24/11	1,366,805	1,371,256	(4,451)
Singapore Dollar	Buy	5/24/11	2,344,047	2,273,964	70,083
South African Rand	Buy	5/24/11	2,880,669	2,816,350	64,319
South Korean Won	Buy	5/24/11	3,530,357	3,464,702	65,655
Swedish Krona	Sell	5/24/11	482,488	459,660	(22,828)
Swiss Franc	Sell	5/24/11	8,289,883	7,758,092	(531,791)
Taiwan Dollar	Buy	5/24/11	9,943	9,790	153
Thai Baht	Buy	5/24/11	1,151,734	1,140,978	10,756
Turkish Lira	Buy	5/24/11	6,754	6,680	74
Westpac Banking Corp.					
Australian Dollar	Buy	5/24/11	6,547,160	6,247,633	299,527
British Pound	Sell	5/24/11	6,974,266	6,734,814	(239,452)
Canadian Dollar	Buy	5/24/11	64,772	63,345	1,427
Euro	Sell	5/24/11	17,239,616	16,515,290	(724,326)
Japanese Yen	Sell	5/24/11	4,887,221	4,643,683	(243,538)
New Zealand Dollar	Sell	5/24/11	1,380,812	1,330,984	(49,828)
Norwegian Krone	Buy	5/24/11	1,320,864	1,258,185	62,679
Swedish Krona	Sell	5/24/11	1,947,258	1,855,220	(92,038)
Swiss Franc	Sell	5/24/11	4,507,705	4,195,360	(312,345)
Total					\$(866,330)

FUTURES CONTRACTS OUTSTANDING at 4/30/11 (Unaudited)

	Number of contracts	Value	Expiration date	Unrealized appreciation/ (depreciation)
Australian Government Treasury Bond 10 yr (Short)	52	\$5,394,573	Jun-11	\$(6,508)
Canadian Government Bond 10 yr (Short)	61	7,841,429	Jun-11	(45,049)
Euro-Bobl 5 yr (Short)	8	1,367,899	Jun-11	(7,983)
Euro-Bund 10 yr (Long)	891	162,502,852	Jun-11	336,026
Euro-Dollar 90 day (Short)	692	171,512,200	Jun-12	(174,730)
Euro-Schatz 2 yr (Short)	500	79,606,897	Jun-11	(114,410)
Euro-Swiss Franc 3 Month (Short)	87	25,019,740	Dec-11	(3,917)
Euro-Swiss Franc 3 Month (Short)	87	24,916,498	Jun-12	(11,558)
Euro-Swiss Franc 3 Month (Short)	87	24,830,883	Dec-12	(14,510)
Euro-Swiss Franc 3 Month (Short)	87	24,966,860	Mar-12	(2,498)
Euro-Swiss Franc 3 Month (Short)	87	25,067,583	Sep-11	1,062
Japanese Government Bond 10 yr (Long)	20	34,529,093	Jun-11	89,017

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Japanese Government Bond 10 yr Mini (Long)	10	1,726,701	Jun-11	9,677
U.K. Gilt 10 yr (Long)	583	116,091,785	Jun-11	1,192,341
U.S. Treasury Bond 20 yr (Long)	341	41,729,875	Jun-11	690,446
U.S. Treasury Bond 30 yr (Long)	461	58,028,375	Jun-11	1,094,539
U.S. Treasury Note 5 yr (Long)	78	9,240,563	Jun-11	138,274
U.S. Treasury Note 10 yr (Short)	181	21,926,453	Jun-11	(400,672)

Total **\$2,769,547**

WRITTEN OPTIONS OUTSTANDING at 4/30/11 (premiums received \$65,952,215) (Unaudited)

	Contractdate/ amount	Expiration strike price	Value
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to receive a fixed rate of 4.8675% versus the three month USD-LIBOR-BBA maturing April 12, 2022.	\$14,182,400	Apr-12/4.8675	\$124,805
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to pay a fixed rate of 4.8675% versus the three month USD-LIBOR-BBA maturing April 12, 2022.	14,182,400	Apr-12/4.8675	1,355,128
Option on an interest rate swap with Bank of America, N.A. for the obligation to receive a fixed rate of 4.475% versus the three month USD-LIBOR-BBA maturing August 19, 2021.	16,701,000	Aug-11/4.475	15,866
Option on an interest rate swap with Bank of America, N.A. for the obligation to pay a fixed rate of 4.475% versus the three month USD-LIBOR-BBA maturing August 19, 2021.	16,701,000	Aug-11/4.475	1,398,876
Option on an interest rate swap with Citibank, N.A. for the obligation to pay a fixed rate of 4.49% versus the three month USD-LIBOR-BBA maturing August 17, 2021.	24,738,000	Aug-11/4.49	2,107,925
Option on an interest rate swap with Citibank, N.A. for the obligation to receive a fixed rate of 4.49% versus the three month USD-LIBOR-BBA maturing August 17, 2021.	24,738,000	Aug-11/4.49	20,780
Option on an interest rate swap with Bank of America, N.A. for the obligation to receive a fixed rate of 4.55% versus the three month USD-LIBOR-BBA maturing August 17, 2021.	12,369,000	Aug-11/4.55	8,164
Option on an interest rate swap with Bank of America, N.A. for the obligation to pay a fixed rate of 4.55% versus the three month USD-LIBOR-BBA maturing	12,369,000	Aug-11/4.55	1,116,055

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August 17, 2021.

Option on an interest rate swap with Bank of America, N.A. for the obligation to receive a fixed rate of 4.70% versus the three month USD-LIBOR-BBA maturing August 8, 2021.	27,401,000	Aug-11/4.7	6,302
Option on an interest rate swap with Bank of America, N.A. for the obligation to pay a fixed rate of 4.70% versus the three month USD-LIBOR-BBA maturing August 8, 2021.	27,401,000	Aug-11/4.7	2,848,060
Option on an interest rate swap with Bank of America, N.A. for the obligation to receive a fixed rate of 4.765% versus the three month USD-LIBOR-BBA maturing August 16, 2021.	24,616,000	Aug-11/4.765	6,154
Option on an interest rate swap with Bank of America, N.A. for the obligation to pay a fixed rate of 4.765% versus the three month USD-LIBOR-BBA maturing August 16, 2021.	24,616,000	Aug-11/4.765	2,672,559
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to receive a fixed rate of 4.375% versus the three month USD-LIBOR-BBA maturing August 10, 2045.	7,284,400	Aug-15/4.375	1,073,588
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to pay a fixed rate of 4.375% versus the three month USD-LIBOR-BBA maturing August 10, 2045.	7,284,400	Aug-15/4.375	567,382
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to pay a fixed rate of 4.46% versus the three month USD-LIBOR-BBA maturing August 7, 2045.	7,284,400	Aug-15/4.46	602,566
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to receive a fixed rate of 4.46% versus the three month USD-LIBOR-BBA maturing August 7, 2045.	7,284,400	Aug-15/4.46	1,012,532
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to receive a fixed rate of 5.27% versus the three month USD-LIBOR-BBA maturing February 12, 2025.	14,006,560	Feb-15/5.27	673,786
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to pay a fixed rate of 5.27% versus the three month USD-LIBOR-BBA maturing February 12, 2025.	14,006,560	Feb-15/5.27	1,140,414
Option on an interest rate swap with Barclays Bank PLC for the obligation to receive a fixed rate of 5.36% versus the three month USD-LIBOR-BBA maturing February 13, 2025.	4,389,140	Feb-15/5.36	200,891
Option on an interest rate swap with Barclays Bank PLC for the obligation to pay a fixed rate of 5.36% versus the three month USD-LIBOR-BBA maturing February 13, 2025.	4,389,140	Feb-15/5.36	375,754
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to receive a fixed rate of 4.46% versus the three month USD-LIBOR-BBA maturing July 26, 2021.	45,798,000	Jul-11/4.46	15,113
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to pay a fixed rate of 4.46% versus the three month USD-LIBOR-BBA maturing July 26, 2021.	45,798,000	Jul-11/4.46	3,911,149
Option on an interest rate swap with Citibank, N.A. for the obligation to receive a fixed rate of 4.52% versus the three month USD-LIBOR-BBA maturing July 26, 2021.	42,950,000	Jul-11/4.52	10,308
	42,950,000	Jul-11/4.52	3,888,264

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Option on an interest rate swap with Citibank, N.A. for the obligation to pay a fixed rate of 4.52% versus the three month USD-LIBOR-BBA maturing July 26, 2021.			
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to pay a fixed rate of 4.525% versus the three month USD-LIBOR-BBA maturing July 26, 2021.	45,798,000	Jul-11/4.525	4,165,786
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to receive a fixed rate of 4.525% versus the three month USD-LIBOR-BBA maturing July 26, 2021.	45,798,000	Jul-11/4.525	10,534
Option on an interest rate swap with Citibank, N.A. for the obligation to receive a fixed rate of 4.5475% versus the three month USD-LIBOR-BBA maturing July 26, 2021.	21,475,000	Jul-11/4.5475	4,510
Option on an interest rate swap with Citibank, N.A. for the obligation to pay a fixed rate of 4.5475% versus the three month USD-LIBOR-BBA maturing July 26, 2021.	21,475,000	Jul-11/4.5475	1,994,598
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to receive a fixed rate of 4.745% versus the three month USD-LIBOR-BBA maturing July 27, 2021.	68,697,000	Jul-11/4.745	7,557
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to pay a fixed rate of 4.745% versus the three month USD-LIBOR-BBA maturing July 27, 2021.	68,697,000	Jul-11/4.745	7,507,208
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to pay a fixed rate of 5.51% versus the three month USD-LIBOR-BBA maturing May 14, 2022.	19,551,000	May-12/5.51	2,761,383
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to receive a fixed rate of 5.51% versus the three month USD-LIBOR-BBA maturing May 14, 2022.	19,551,000	May-12/5.51	83,619
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to pay a fixed rate of 4.82% versus the three month USD-LIBOR-BBA maturing September 12, 2018.	38,999,000	Sep-13/4.82	2,248,914
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to receive a fixed rate of 4.82% versus the three month USD-LIBOR-BBA maturing September 12, 2018.	38,999,000	Sep-13/4.82	643,918
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to pay a fixed rate of 4.04% versus the three month USD-LIBOR-BBA maturing September 11, 2025.	96,509,800	Sep-15/4.04	3,499,909
Option on an interest rate swap with JPMorgan Chase Bank, N.A. for the obligation to receive a fixed rate of 4.04% versus the three month USD-LIBOR-BBA maturing September 11, 2025.	96,509,800	Sep-15/4.04	9,716,999
Option on an interest rate swap with Credit Suisse International for the obligation to pay a fixed rate of 0.578% versus the six month CHF-LIBOR-BBA maturing December 24, 2013.	CHF 36,660,000	Dec-11/0.578	5,311
Option on an interest rate swap with Credit Suisse International for the obligation to pay a fixed rate of 0.602% versus the six month CHF-LIBOR-BBA maturing December 22, 2013.	CHF 36,660,000	Dec-11/0.602	6,284
Option on an interest rate swap with Credit Suisse International for the obligation to pay a fixed rate of 0.70175% versus the six month CHF-LIBOR-BBA	CHF 36,660,000	Jan-12/0.70175	13,280

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maturing January 23, 2014.

Option on an interest rate swap with UBS AG for the obligation to pay a fixed rate of 0.722% versus the six month CHF-LIBOR-BBA maturing January 23, 2014.

CHF	36,660,000	Jan-12/0.722	14,934
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Option on an interest rate swap with Deutsche Bank AG for the obligation to receive a fixed rate of 3.55% versus the three month USD-LIBOR-BBA maturing July 21, 2021.

	19,591,784	Jul-11/3.55	236,473
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Option on an interest rate swap with Deutsche Bank AG for the obligation to pay a fixed rate of 3.55% versus the three month USD-LIBOR-BBA maturing July 21, 2021.

	19,591,784	Jul-11/3.55	357,547
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Total

\$58,431,185

TBA SALE COMMITMENTS OUTSTANDING at 4/30/11 (proceeds receivable \$48,298,516) (Unaudited)

Agency	Principal amount	Settlement date	Value
FNMA, 4 1/2s, May 1, 2041	29,000,000	5/12/11	29,838,280
FNMA, 4 1/2s, April 1, 2041	3,000,000	4/13/11	3,090,234
FNMA, 4s, May 1, 2041	16,000,000	5/12/11	15,925,000
Total			\$48,853,514

INTEREST RATE SWAP CONTRACTS OUTSTANDING at 4/30/11 (Unaudited)

TOTAL RETURN SWAP CONTRACTS OUTSTANDING at 4/30/11 (Unaudited)

CREDIT DEFAULT CONTRACTS OUTSTANDING at 4/30/11 (Unaudited)

Key to holding's currency abbreviations

ARS	Argentine Peso
BRL	Brazilian Real
CHF	Swiss Franc
CLP	Chilean Peso
EUR	Euro
GBP	British Pound
INR	Indian Rupee
JPY	Japanese Yen
KRW	South Korean Won
MXN	Mexican Peso
PEN	Peruvian Neuvo Sol
RUB	Russian Ruble
SEK	Swedish Krona
TRY	Turkish Lira

USD / United States Dollar
\$

Key to holding's abbreviations

EMTN Euro Medium Term Notes
FRB Floating Rate Bonds
FRN Floating Rate Notes
IFB Inverse Floating Rate Bonds
IO Interest Only
MTN Medium Term Notes
OJSC Open Joint Stock Company
PO Principal Only
TBA To Be Announced Commitments

Notes to the fund's portfolio

Unless noted otherwise, the notes to the fund's portfolio are for the close of the fund's reporting period, which ran from August 1, 2010 through April 30, 2011 (the reporting period).

- (a) Percentages indicated are based on net assets of \$910,565,595.
- (b) The aggregate identified cost on a tax basis is \$1,064,816,627, resulting in gross unrealized appreciation and depreciation of \$38,289,411 and \$26,595,077, respectively, or net unrealized appreciation of \$11,694,334.
- (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.
- (PIK) Income may be received in cash or additional securities at the discretion of the issuer.
- (SEG) These securities, in part or in entirety, were pledged and segregated with the broker to cover margin requirements for futures contracts at the close of the reporting period.
- (SEGSF) These securities, in part or in entirety, were pledged and segregated with the custodian for collateral on certain derivatives contracts at the close of the reporting period.
- (FWC) Forward commitments, in part or in entirety.
 - (c) Senior loans are exempt from registration under the Securities Act of 1933, as amended, but contain certain restrictions on resale and cannot be sold publicly. These loans pay interest at rates which adjust periodically. The interest rates shown for senior loans are the current interest rates at the close of the reporting period. 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. 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, which from time to time can delay the actual investment of available cash balances; 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.
 - (e) The fund invested in Putnam Money Market Liquidity Fund, an open-end management investment company managed by Putnam Investment Management, LLC (Putnam Management), the fund's manager, an indirect wholly-owned subsidiary of Putnam Investments, LLC. Investments in Putnam Money Market Liquidity Fund are valued at its closing net asset value each business day. Income distributions earned by the fund are recorded as interest income and totaled \$52,746 for the reporting period. During the reporting period, cost of purchases and proceeds of sales of investments in Putnam Money Market

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Liquidity Fund aggregated \$512,902,796 and \$459,615,130, respectively. Management fees charged to Putnam Money Market Liquidity Fund have been waived by Putnam Management. The rate quoted in the security description is the annualized 7-day yield of the fund at the close of the reporting period.

- (F) Is valued at fair value following procedures approved by the Trustees. Securities may be classified as Level 2 or Level 3 for Accounting Standards Codification ASC 820 *Fair Value Measurements and Disclosures* (ASC 820) based on the securities' valuation inputs.
- (R) Real Estate Investment Trust.

At the close of the reporting period, the fund maintained liquid assets totaling \$594,822,775 to cover certain derivatives contracts.

Debt obligations are considered secured unless otherwise indicated.

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

The rates shown on FRB and FRN are the current interest rates at the close of the reporting period.

The dates shown on debt obligations are the original maturity dates.

IFB are securities that pay interest rates that vary inversely to changes in the market interest rates. As interest rates rise, inverse floaters produce less current income. The interest rates shown are the current interest rates at the close of the reporting period.

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, and are classified as Level 1 securities. 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 and is generally categorized as a Level 2 security.

Market quotations are not considered to be readily available for certain debt obligations and other investments; such investments are valued on the basis of valuations furnished by an independent pricing service approved by the Trustees or dealers selected by Putnam Management. 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 (which considers such factors as security prices, yields, maturities and ratings). These securities will generally be categorized as Level 2.

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 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 equity securities taking into account multiple factors including movements in the U.S. securities markets, currency valuations and comparisons to the valuation of American Depository Receipts, exchange-traded funds and futures contracts. These securities, which will generally represent a transfer from a Level 1 to a Level 2 security, will be classified as Level 2. 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, if any, are translated into U.S. dollars at the current exchange rate.

To the extent a pricing service or dealer is unable to value a security or provides a valuation that Putnam Management does not believe accurately reflects the security's fair value, the security will be valued at fair value by Putnam Management. Certain investments, including certain restricted and illiquid securities and derivatives, are also valued at fair value following procedures approved by the Trustees. These valuations consider such factors as significant market or specific security events such as interest rate or credit quality changes, various relationships with other securities, discount rates, U.S. Treasury, U.S. swap and credit yields, index levels, convexity exposures and recovery rates. These securities are classified as Level 2 or as Level 3 depending on the priority of the significant inputs.

Such valuations and procedures are reviewed periodically by the Trustees. Certain securities may be valued on the basis of a price provided by a single source. The fair value of securities is generally determined as the amount that the fund could reasonably expect to realize from an orderly disposition of such securities over a reasonable period of time. By its nature, a fair value price is a good faith estimate of the value of a security in a current sale and does not reflect an actual market price, which may be different by a material amount.

Stripped securities: The fund may invest in stripped securities which represent a participation in securities that may be structured in classes with rights to receive different portions of the interest and principal. Interest-only securities receive all of the interest and principal-only securities receive all of the principal. If the interest-only securities experience greater than anticipated prepayments of principal, the fund may fail to recoup fully its initial investment in these securities. Conversely, principal-only securities increase in value if prepayments are greater than anticipated and decline if prepayments are slower than anticipated. The market value of these securities is highly sensitive to changes in interest rates.

Futures contracts: The fund uses futures contracts to hedge interest rate risk and to gain exposure to interest rates.

The potential risk to the fund is that the change in value of futures 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, if interest or exchange rates move unexpectedly or if the counterparty to the contract is unable to perform. With futures, there is minimal counterparty credit risk to the fund since futures are exchange traded and the exchange's clearinghouse, as counterparty to all exchange traded futures, guarantees the futures against default. 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.

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." The fund had an average number of contracts of approximately 4,000 on futures contracts for the reporting period.

Options contracts: The fund uses options contracts to hedge duration, convexity and prepayment risk and to gain exposure to interest rates and volatility.

The potential risk to the fund is that the change in value of 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, if interest or exchange rates move unexpectedly or if the counterparty to the contract is unable to perform. 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.

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. The fund had an average contract amount of approximately \$588,300,000 on purchased options contracts for the reporting period. The fund had an average contract amount of approximately \$1,638,900,000 on written options contracts for the reporting period.

Forward currency contracts: The fund buys and sells 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 hedge foreign exchange risk and to gain exposure on currency. 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. The fund had an average contract amount of approximately \$492,200,000 on forward currency contracts for the reporting period.

Total return swap contracts: The fund enters into total return swap contracts, which are arrangements to exchange a market linked return for a periodic payment, both based on a notional principal amount to hedge sector exposure, to manage exposure to specific sectors or industries and to gain exposure to specific sectors/industries. To the extent that the total return of the security, index or other financial measure underlying the transaction exceeds or falls short of the offsetting interest rate obligation, the fund will receive a payment from or make a payment to the counterparty. Total return swap contracts are marked to market daily based upon quotations from an independent pricing service or market makers and the change, if any, is recorded as an unrealized gain or loss. Payments received or made are recorded as realized gains or losses. Certain total return swap contracts may include extended effective dates.

Payments related to these swap contracts are accrued based on the terms of the contract. The fund could be exposed to credit or market risk due to unfavorable changes in the fluctuation of interest rates or in the price of the underlying security or index, the possibility that there is no liquid market for these agreements or that the counterparty may default on its obligation to perform. The fund's maximum risk of loss from counterparty risk is the fair value of the contract. This risk may be mitigated by having a master netting arrangement between the fund and the counterparty. The fund had an average notional amount of approximately \$211,800,000 on total return swap contracts for the reporting period.

Interest rate swap contracts: The fund enters into interest rate swap contracts, which are arrangements between two parties to exchange cash flows based on a notional principal amount, to hedge interest rate risk and to gain exposure on interest rates. An interest rate swap can be purchased or sold with an upfront premium. An upfront payment received by the fund is recorded as a liability on the fund's books. An upfront payment made by the fund is recorded as an asset on the fund's books. Interest rate swap contracts are marked to market daily based upon quotations from an independent pricing service or market makers and the change, if any, is recorded as an unrealized gain or loss. Payments received or made are recorded as realized gains or losses. Certain interest rate swap contracts may include extended effective dates. Payments related to these swap contracts are accrued based on the terms of the contract. 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. The fund's maximum risk of loss from counterparty risk is the fair value of the contract. This risk may be mitigated by having a master netting arrangement between the fund and the counterparty. The fund had an average notional amount of approximately \$8,268,300,000 on interest rate swap contracts for the reporting period.

Credit default contracts: The fund enters into credit default contracts to gain exposure on individual names and/or baskets of securities. In a credit default contract, the protection buyer typically makes an up front payment and a periodic stream of payments to a counterparty, the protection seller, in exchange for the right to receive a contingent payment upon the occurrence of a credit event on the reference obligation or all other equally ranked obligations of the reference entity. Credit events are contract specific but may include bankruptcy, failure to pay, restructuring and obligation acceleration. 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 an independent pricing service or market makers and the change, if any, is recorded as an unrealized gain or loss. Upon the occurrence of a credit event, the difference between the par value and market value of the reference obligation, net of any proportional amount of the upfront payment, is recorded as a realized gain or loss.

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 or 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 the underlying reference obligations. In certain circumstances, the fund may enter into offsetting credit default contracts which would mitigate its risk of loss. The fund's maximum risk of loss from counterparty risk, either as the protection seller or as the protection buyer, is the fair value of the contract. This risk may be mitigated by having a master netting arrangement between the fund and the counterparty. Where the fund is a seller of protection, the maximum potential amount of future payments the fund may be required to make is equal to the notional amount of the relevant credit default contract. Outstanding notional amount on credit default swap contracts at the close of the reporting period are indicative of the volume of activity during the reporting period.

Master agreements: The fund is a party to ISDA (International Swap and Derivatives Association, Inc.) Master Agreements (Master Agreements) with certain counterparties that govern over the counter derivative and foreign exchange contracts entered into from time to time. The Master Agreements may contain provisions regarding, among other things, the parties' general obligations, representations, agreements, collateral requirements, events of default and early termination. With respect to certain counterparties, in accordance with the terms of the Master Agreements, collateral posted to the fund is held in a segregated account by the fund's custodian and with respect to those amounts which can be sold or repledged, are presented in the fund's portfolio. Collateral posted to the fund which cannot be sold or repledged totaled \$3,419,014 at the close of the reporting period. Collateral pledged by the fund is segregated by the fund's custodian and identified in the fund's portfolio. Collateral can be in the form of cash or debt securities issued by the U.S. Government or related agencies or other securities as agreed to by the fund and the applicable counterparty. Collateral requirements are determined based on the fund's net position with each counterparty. Termination events applicable to the fund may occur upon a decline

in the fund's net assets below a specified threshold over a certain period of time. Termination events applicable to counterparties may occur upon a decline in the counterparty's long-term and short-term credit ratings below a specified level. In each case, upon occurrence, the other party may elect to terminate early and cause settlement of all derivative and foreign exchange contracts outstanding, including the payment of any losses and costs resulting from such early termination, as reasonably determined by the terminating party. Any decision by one or more of the fund's counterparties to elect early termination could impact the fund's future derivative activity.

At the close of the reporting period, the fund had a net liability position of \$73,457,330 on derivative contracts subject to the Master Agreements. Collateral posted by the fund totaled \$69,764,954.

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, it is anticipated that 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.

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 the 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 TBA 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.

Dollar rolls: To enhance returns, the fund may enter into dollar rolls (principally using TBAs) in which the fund sells securities for delivery in the current month and simultaneously contracts to purchase similar securities on a specified future date. During the period between the sale and subsequent purchase, the fund will not be entitled to receive income and principal payments on the securities sold. The fund will, however, retain the difference between the initial sales price and the forward price for the future purchase. The fund will also be able to earn interest on the cash proceeds that are received from the initial sale on settlement date. The fund may be exposed to market or credit risk if the price of the security changes unfavorably or the counterparty fails to perform under the terms of the agreement.

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ASC 820 establishes a three-level hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of the fund's investments. The three levels are defined as follows:

Level 1 – Valuations based on quoted prices for identical securities in active markets.

Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable and significant to the fair value measurement.

The following is a summary of the inputs used to value the fund's net assets as of the close of the reporting period:

	Valuation inputs		
	Level 1	Level 2	Level 3
Investments in securities:			
Common stocks:			
Consumer cyclicals	\$72,128	\$—	\$1,120
Energy	—	—	4,141
Total common stocks	72,128	—	5,261
Asset-backed securities	—	116,246,824	2,890,471
Convertible bonds and notes	—	2,628,494	1,106
Convertible preferred stocks	—	449,113	—
Corporate bonds and notes	—	269,660,815	33,190
Foreign government bonds and notes	—	77,064,914	—
Mortgage-backed securities	—	232,241,037	3,731,287
Preferred stocks	—	798,683	—
Purchased options outstanding	—	1,411,641	—
Senior loans	—	28,293,981	—
U.S. Government and Agency Mortgage Obligations	—	134,824,096	—
Warrants	—	2,018	67,892
Short-term investments	56,515,318	149,572,692	—
Totals by level	\$56,587,446	\$1,013,194,308	\$6,729,207

Item 2. 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 3. Exhibits:

Separate certifications for the principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the Investment Company Act of 1940, as amended, 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.

Putnam Premier Income Trust

By (Signature and Title):

/s/ Janet C. Smith

Janet C. Smith
Principal Accounting Officer
Date: June 28, 2011

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/ Jonathan S. Horwitz

Jonathan S. Horwitz
Principal Executive Officer
Date: June 28, 2011

By (Signature and Title):

/s/ Steven D. Krichmar

Steven D. Krichmar
Principal Financial Officer
Date: June 28, 2011
