Beat inflation

After-tax returns of municipal bonds have outpaced inflation in 17 of the past 25 years and have outpaced CDs in 19 of the past 25 years.

AFTER-TAX RETURNS VS. INFLATION (1999–2023)

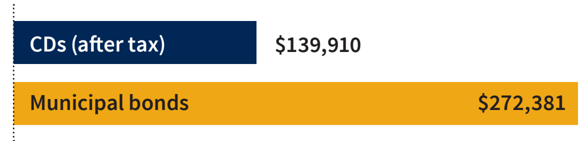
Inflation
2.55% on average

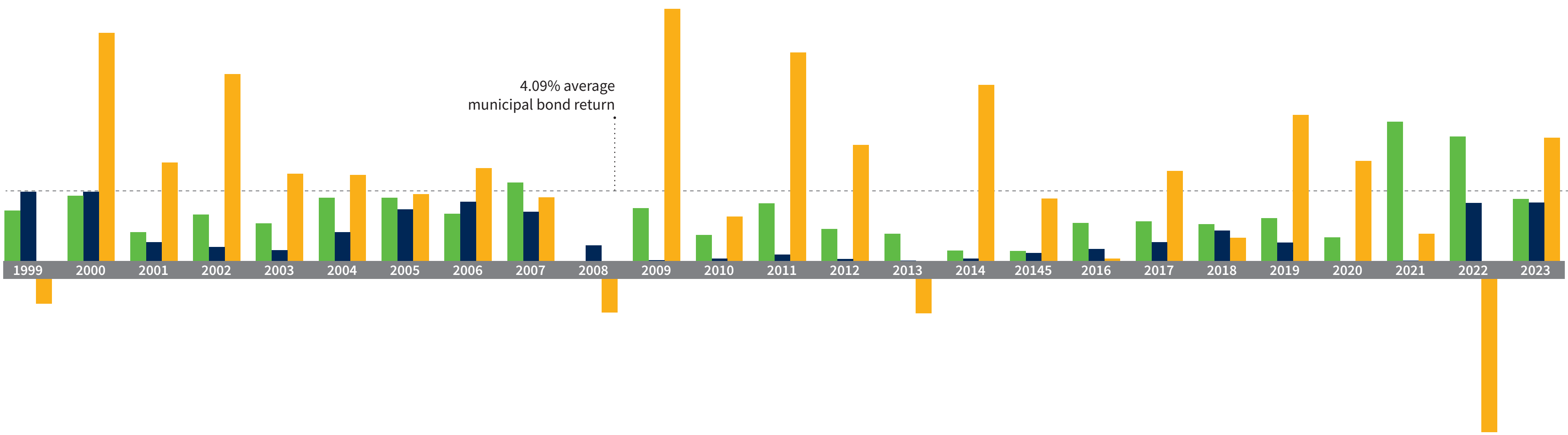
CDs (after tax)
1.35% on average

Municipal bonds
4.09% on average

GROWTH OF $100,000 (1999–2023)

A $100,000 investment in 1999 would have had to grow to $187,865 in 2023 just to keep pace with inflation. An investment in municipal bonds would have returned nearly twice as much.





Source: Bloomberg Index Services Limited.

Data is historical. Past performance is not a guarantee of future results. Chart assumes a maximum federal tax rate of 40.80% on 6-month CDs, as measured by the Bloomberg 6-month CD rates. Municipal bonds and inflation are represented by the Bloomberg Municipal Bond Index, an unmanaged index of long-term fixed-rate investment-grade tax-exempt bonds, and the Consumer Price Index, respectively. You cannot invest directly in an index. Unlike bonds, which incur more risk, certificates of deposit (CDs) offer a fixed rate of return, and the interest and principal on CDs are generally insured by the FDIC up to $250,000. While all bonds have risks, municipal bonds may have a higher level of credit risk compared with CDs.

Why Putnam for municipal bond investing?

An experienced team

Putnam's fixed income team has managed tax-exempt bond funds since 1976. The team has deep expertise in all facets of municipal bond credit research, trading, and portfolio construction.

A broad range of municipal bond funds

Putnam offers a choice of municipal bond funds, including nationally diversified funds and single-state funds.

A prudent approach

Putnam's municipal bond fund team seeks to balance a durable level of income with capital preservation. Rather than pursue risky strategies in pursuit of higher yield, Putnam's tax-exempt bond funds spread their assets among many different issuers, which may reduce risk and help to protect returns.

Nationally diversified funds

Putnam Intermediate-Term Municipal Fund	PIMYX
Putnam Short-Term Municipal Fund	PSMYX
Putnam Strategic Intermediate Municipal Fund	PAMYX
Putnam Tax Exempt Income Fund	PTEYX
Putnam Tax-Free High Yield Fund	PTFYX

Single-state funds

Putnam CA Tax Exempt Income Fund	PCIYX
Putnam MA Tax Exempt Income Fund	PMAYX
Putnam MN Tax Exempt Income Fund	PMNYX
Putnam NJ Tax Exempt Income Fund	PNJYX
Putnam NY Tax Exempt Income Fund	PNYYX
Putnam OH Tax Exempt Income Fund	POTYX
Putnam PA Tax Exempt Income Fund	PPTYX

Consider these risks before investing: Bond prices may fall or fail to rise over time for several reasons, including general financial market conditions, changing market perceptions (including perceptions about the risk of default and expectations about monetary policy or interest rates), changes in government intervention in the financial markets, and factors related to a specific issuer. These and other factors may lead to increased volatility and reduced liquidity in the fund's portfolio holdings.

The fund's performance will be closely tied to the economic and political conditions in the state, and can be more volatile than the performance of a more geographically diversified fund. Capital gains, if any, are taxed at the federal and, in most cases, state levels. For some investors, investment income may be subject to the federal alternative minimum tax. Bond investments are subject to interest-rate risk (the risk of bond prices falling if interest rates rise) and credit risk (the risk of an issuer defaulting on interest or principal payments). Interest-rate risk is greater for longer-term bonds, and credit risk is greater for below-investment-grade bonds. Unlike bonds, funds that invest in bonds have fees and expenses. Tax-exempt bonds may be issued under the Internal Revenue Code only by limited types of issuers for limited types of projects. As a result, the fund's investments may be focused in certain market segments and be more vulnerable to fluctuations in the values of the securities it holds than a more broadly invested fund. Interest the fund receives might be taxable.

Our investment techniques, analyses, and judgments may not produce the outcome we intend. The investments we select for the fund may not perform as well as other securities that we do not select for the fund. We, or the fund's other service providers, may experience disruptions or operating errors that could have a negative effect on the fund. You can lose money by investing in the fund.

Investors should carefully consider the investment objectives, risks, charges, and expenses of a fund before investing. For a prospectus, or a summary prospectus if available, containing this and other information for any Putnam fund or product, call your financial representative or contact Putnam at 1-800-225-1581. Please read the prospectus carefully before investing.

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