

PUTNAM PREMIER INCOME TRUST  
Form N-CSRS  
March 25, 2016

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

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES**

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: Robert T. Burns, Vice President  
One Post Office Square  
Boston, Massachusetts 02109

Copy to: Bryan Chegwiddden, Esq.  
Ropes & Gray LLP  
1211 Avenue of the Americas  
New York, New York 10036

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

Date of fiscal year end: July 31, 2016

Date of reporting period: August 1, 2015 — January 31, 2016

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:

# Putnam Premier Income Trust

## Semiannual report 1 | 31 | 16

<b>Message from the Trustees</b>	<b>1</b>
<b>About the fund</b>	<b>2</b>
<b>Performance snapshot</b>	<b>4</b>
<b>Interview with your fund's portfolio manager</b>	<b>5</b>
<b>Your fund's performance</b>	<b>12</b>
<b>Terms and definitions</b>	<b>14</b>
<b>Other information for shareholders</b>	<b>15</b>
<b>Summary of dividend reinvestment plans</b>	<b>16</b>
<b>Financial statements</b>	<b>18</b>

**Consider these risks before investing:** International investing involves currency, economic, and political risks. Emerging-market securities carry illiquidity and volatility risks. Lower-rated bonds may offer higher yields in return for more risk. 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. Bond prices may fall or fail to rise over time for several reasons, including general financial market conditions, changing market perceptions of the risk of default, changes in government intervention, and factors related to a specific issuer or industry. These factors may also lead to periods of high volatility and reduced liquidity in the bond markets. Funds that invest in government securities are not guaranteed. Mortgage-backed securities are subject to prepayment risk and the risk that they may increase in value less when interest rates decline and decline in value more when interest rates rise. You can lose money by investing in the fund. The fund's shares trade on a stock exchange at market prices, which may be lower than the fund's net asset value.

## Message from the Trustees

Dear Fellow Shareholder:

In markets around the world, 2016 began with a sharp downturn, driven mainly by fears of weak global growth. Equity and fixed-income markets are again showing some of the negative trends seen during late summer of 2015. Generally speaking, only high-quality bonds appear to be weathering the storm. Of course, as in any downturn,

attractive valuation opportunities may be emerging.

While economic growth may be muted in many parts of the world, notably in China and in emerging markets, the U.S. economy appears to be among the more resilient. The unemployment rate has fallen below 5%, with some signs of moderate wage growth and solid housing market conditions. Low energy prices, while a negative for energy companies, mean more money in consumers' pockets, helping to buoy consumption. Moreover, divergent economic policies among central banks around the globe may create potential opportunities for capturing growth.

Although no one can predict where markets will head going forward, Putnam's experienced portfolio managers are actively seeking fundamental insights to maneuver in all types of conditions, relying on a proprietary global research framework to help guide their investment decisions. The interview on the following pages provides an overview of your fund's performance for the reporting period ended January 31, 2016, as well as an outlook for the coming months.

For questions on market turbulence, it may be helpful for you to consult your financial advisor to ensure that your portfolio is aligned with your investment goals, time horizon, and risk tolerance.

As always, thank you for investing with Putnam.

---

---

***Data are historical. Past performance does not guarantee future results. More recent returns may be less or more than those shown. Investment return and net asset value 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 returns in the bar chart are at NAV. See pages 5 and 12-13 for additional performance information, including fund returns at market price. Index and Lipper results should be compared with fund performance at NAV.***

***\* Returns for the six-month period are not annualized, but cumulative.***

4 Premier Income Trust

---

## Interview with your fund's portfolio manager

### **Bill, what was the bond market environment like for the six months ending January 31, 2016?**

The market was eventful, often volatile, and challenging overall. A major development during the period was the Federal Reserve's first hike in its target for short-term interest rates in nearly a decade. Although the increase was anticipated, the timing and magnitude of it generated considerable speculation until the Fed's official announcement on December 16, 2015.

Amid an environment of increasing risk aversion on the part of investors, government bonds and other higher-quality securities performed well, while riskier assets, such as high-yield bonds, experienced substantial volatility. Energy- and commodity-related securities performed the worst. U.S. Treasury Inflation-Protected Securities [TIPS] suffered amid stubbornly low inflation. Meanwhile, emerging-market debt rebounded strongly in the fall, overcoming multiple threats including China's economic slowdown and currency headwinds.

Longer-term U.S. Treasury yields fell sharply in January, with the 10-year yield ending the month at 1.92%, the low for the period. As the period concluded, market participants continued to grapple with a variety of concerns, including slowing growth in China; still-falling oil prices; the vulnerability of U.S. growth to external shocks; and the health of large banks, especially in Europe.

This comparison shows your fund's performance in the context of broad market indexes for the six months ended 1/31/16. See pages 4 and 12–13 for additional fund performance information. Index descriptions can be found on page 14.

---

**The fund lagged its benchmark by a significant margin during the period. What factors hampered its relative performance?**

It's important to point out that the fund's benchmark comprises U.S. Treasury and agency securities, and these market sectors generally outpaced the more credit-sensitive categories during the reporting period. Our strategy of investing in a variety of out-of-benchmark sectors — such as high-yield bonds and commercial mortgage-backed securities [CMBS] — which has served the fund well over the long term, did not work as well this past six months.

Looking at specific strategies, corporate credit was the primary detractor, as our allocation to high-yield bonds was hampered by concerns about slowing global growth, falling energy prices, and liquidity concerns sparked by heavy outflows from high-yield funds. High-yield spreads — the yield advantage offered over comparable-maturity Treasuries — spiked during the period as bond prices fell.

Mortgage-credit strategies also weighed on the fund's relative performance. Our positions in mezzanine CMBS were negatively affected by the risk-off sentiment that permeated the marketplace. Late in the period, an increase in new supply entering a generally risk-averse market also worked against CMBS returns. Holdings of non-agency residential mortgage-backed securities also detracted due to investor risk aversion.

Credit qualities are shown as a percentage of net assets as of 1/31/16. A bond rated BBB or higher (A-3 or higher, for short-term debt) is considered investment grade. This chart reflects the highest security rating provided by one or more of Standard & Poor's, Moody's, and Fitch. To-be-announced (TBA) mortgage commitments, if any, are included based on their issuer ratings. Ratings may vary over time.

Cash, derivative instruments, and net other assets are shown in the not-rated category. Payables and receivables for TBA mortgage commitments are included in the not-rated category and may result in negative weights. The fund itself has not been rated by an independent rating agency.

---

As a whole, global interest-rate and yield-curve strategies also dampened the fund's performance. In the United States, the portfolio was positioned for a rising-rate environment, resulting in a duration that was shorter than that of the benchmark. However, investor demand for U.S. Treasuries and other perceived safe-haven securities caused longer-term rates to decline during the period, particularly in January. Consequently, our short-duration positioning hampered the fund's return.

Internationally, our interest-rate and yield-curve strategies generated positive results and partially offset the negative impact of our U.S. positioning. Our holdings in Greece were of particular note, as they benefited from the country's August agreement for a new bailout program, and the reelection of Prime Minister Alexis Tsipras in September.

**Which other holdings and strategies had a notable impact on the fund's performance?**

Our prepayment strategies, which we implemented with securities such as agency interest-only collateralized mortgage obligations [IO CMOs], produced negative

This table shows the fund's top holdings across three key sectors and the percentage of the fund's net assets that each represented as of 1/31/16. Short-term holdings, TBA commitments, and derivatives, if any, are excluded. Holdings may vary over time.

Premier Income Trust 7

---

results amid the broad risk-off sentiment. Additionally, investors were concerned that lower interest rates could spur an increased level of mortgage refinancing that would accelerate prepayment speeds on existing securities. On the positive side, a strategy that benefited from the increasing yield differential between mortgage rates and U.S. Treasury yields aided performance, but was not enough to fully offset the weakness of our IO CMO positions.

Elsewhere, active currency strategies modestly detracted on a net basis. A strengthening U.S. dollar worked against our long positions in the Mexican peso and British pound sterling. Our short position in the euro in the portfolio also detracted. Conversely, short positions in the Canadian dollar and Japanese yen, the latter of which was held only during the first few months of the period, contributed to our currency program.

Lastly, exposure to emerging-market debt had a neutral impact on performance. Gains during the first four months of the period were negated by poor results in December and January. Holdings in Argentina contributed the most, fueled by the election of a new president who has expressed support for resolving the country's long-standing dispute with holdout creditors. On the downside, an allocation to Venezuela was the primary detractor, as the bonds of this energy-producing nation were pulled down by declining oil prices and general risk aversion.

This chart shows how the fund's top weightings have changed over the past six months. Allocations are shown as a percentage of the fund's net assets. Cash and net other assets, if any, represent the market value weights of cash, derivatives, short-term securities, and other unclassified assets in the portfolio. Current period summary information may differ from the portfolio schedule included in the financial statements due to the inclusion of derivative securities, any interest accruals, and the use of different classifications of securities for presentation purposes. Allocations may not total 100% because the table includes the notional value of derivatives (the economic value for purposes of calculating periodic payment obligations), in addition to the market value of securities. Holdings and allocations may vary over time.

Data in the chart reflect a new calculation methodology put into effect within the past six months.

8 Premier Income Trust

---

**How did you use derivatives during the period?**

We used bond futures and interest-rate swaps to take tactical positions at various points along the yield curve, and to hedge the risk associated with the fund's yield-curve positioning. In addition, we employed interest-rate swaps to

gain exposure to rates in various countries. We also utilized options to hedge the fund's interest-rate risk, to isolate the prepayment risk associated with our CMO holdings, and to help manage overall downside risk. Additionally, we used total return swaps as a hedging tool, and to help manage the portfolio's sector exposure, as well as its inflation risk. We employed credit default swaps to hedge the fund's credit and market risks, and to gain exposure to specific sectors and securities. Lastly, we utilized currency forward contracts to hedge the foreign exchange risk associated with non-U.S. bonds and to efficiently gain exposure to foreign currencies.

**What is your outlook for the coming months?**

We believe U.S. gross domestic product may continue to grow at a rate near 2% over the next year. Additionally, we expect that the Fed will continue to raise the federal funds rate in 2016 if economic data indicate that it is appropriate to continue normalizing monetary policy. We believe, however, that these increases will likely occur at a slower pace than in past recoveries and that the magnitude of tightening will depend on factors such as employment levels, inflation, oil prices, U.S. dollar strength, and financial market volatility.

**How do you plan to position the fund in light of this outlook?**

We expect to continue de-emphasizing interest-rate risk because, due to low rates, we believe fixed-income investors are not getting compensated adequately for assuming this risk.

**ABOUT DERIVATIVES**

Derivatives are an increasingly common type of investment instrument, the performance of which is *derived* from an underlying security, index, currency, or other area of the capital markets. Derivatives employed by the fund's managers generally serve one of two main purposes: to implement a strategy that may be difficult or more expensive to invest in through traditional securities, or to hedge unwanted risk associated with a particular position.

For example, the fund's managers might use currency forward contracts to capitalize on an anticipated change in exchange rates between two currencies. This approach would require a significantly smaller outlay of capital than purchasing traditional bonds denominated in the underlying currencies. In another example, the managers may identify a bond that they believe is undervalued relative to its risk of default, but may seek to reduce the interest-rate risk of that bond by using interest-rate swaps, a derivative through which two parties "swap" payments based on the movement of certain rates.

Like any other investment, derivatives may not appreciate in value and may lose money. Derivatives may amplify traditional investment risks through the creation of leverage and may be less liquid than traditional securities. And because derivatives typically represent contractual agreements between two financial institutions, derivatives entail "counterparty risk," which is the risk that the other party is unable or unwilling to pay. Putnam monitors the counterparty risks we assume. For example, Putnam often enters into collateral agreements that require the counterparties to post collateral on a regular basis to cover their obligations to the fund. Counterparty risk for exchange-traded futures and centrally cleared swaps is mitigated by the daily exchange of margin and other safeguards against default through their respective clearinghouses.

---

Following the volatility during the period that resulted in higher yields over Treasuries for bonds carrying credit risk, we think the valuations for sectors such as high-yield bonds and CMBS are even more attractive. Moreover, we believe the fundamentals for these sectors in the form of corporate earnings, revenues, and cash flows, remain generally supportive. That said, given the potential for continued periods of volatility fueled by macroeconomic developments, we will take a cautious approach toward adding risk to the fund.

**Thanks for your time and for bringing us up to date, Bill.**

*The views expressed in this report are exclusively those of Putnam Management and are subject to change. They are not meant as investment advice.*

*Please note that the holdings discussed in this report may not have been held by the fund for the entire period. Portfolio composition is subject to review in accordance with the fund's investment strategy and may vary in the future. Current and future portfolio holdings are subject to risk. Statements in the Q&A concerning the fund's performance or portfolio composition relative to those of the fund's Lipper peer group may reference information*

*produced by Lipper Inc. or through a third party.*

Portfolio Manager **D. William Kohli** is Co-Head of Fixed Income at Putnam. He has an M.B.A. from the Haas School of Business at the University of California, Berkeley, and a B.A. from the University of California, San Diego. Bill joined Putnam in 1994 and has been in the investment industry since 1988.

In addition to Bill, your fund’s portfolio managers are Michael J. Atkin, Michael V. Salm, and Paul D. Scanlon, CFA.

10 Premier Income Trust

## HOW CLOSED-END FUNDS DIFFER FROM OPEN-END FUNDS

Closed-end funds and open-end funds share many common characteristics but also have some key differences that you should understand as you consider your portfolio strategies.

**More assets at work** Open-end funds are subject to ongoing sales and redemptions that can generate transaction costs for long-term shareholders. Closed-end funds, however, are typically fixed pools of capital that do not need to hold cash in connection with sales and redemptions, allowing the funds to keep more assets actively invested.

**Traded like stocks** Closed-end fund shares are traded on stock exchanges and, as a result, their prices fluctuate because of the influence of several factors.

**They have a market price** Like an open-end fund, a closed-end fund has a per-share net asset value (NAV). However, closed-end funds also have a “market price” for their shares — which is how much you pay when you buy shares of the fund, and how much you receive when you sell them.

When looking at a closed-end fund’s performance, you will usually see that the NAV and the market price differ. The market price can be influenced by several factors that cause it to vary from the NAV, including fund distributions, changes in supply and demand for the fund’s shares, changing market conditions, and investor perceptions of the fund or its investment manager. A fund’s performance at market price typically differs from its results at NAV.

Premier Income Trust 11

## Your fund’s performance

This section shows your fund’s performance, price, and distribution information for periods ended January 31, 2016, the end of the first half of its current fiscal year. In accordance with regulatory requirements for mutual funds, we also include performance information as of the most recent calendar quarter-end. Performance should always be considered in light of a fund’s investment strategy. Data represent 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.

**Fund performance** Total return for periods ended 1/31/16

	NAV	Market price
Annual average		
Life of fund (since 2/29/88)	6.56%	6.42%

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

10 years	54.87	66.80
Annual average	4.47	5.25
5 years	12.11	2.06
Annual average	2.31	0.41
3 years	2.47	1.59
Annual average	0.82	0.53
1 year	-3.55	-2.16
6 months	-5.94	-4.28

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

Performance includes the deduction of management fees and administrative expenses.

**Comparative index returns** For periods ended 1/31/16

	<b>Barclays Government Bond Index</b>	<b>Lipper General Bond Funds (closed-end) category average*</b>
Annual average		
Life of fund (since 2/29/88)	6.24%	7.10%
10 years	52.86	91.47
Annual average	4.33	6.35
5 years	17.01	37.13
Annual average	3.19	6.24
3 years	6.01	9.64
Annual average	1.96	3.02
1 year	0.44	-3.11
6 months	2.05	-5.11

Index and Lipper results should be compared with fund performance at net asset value.

\* Over the 6-month, 1-year, 3-year, 5-year, 10-year, and life-of-fund periods ended 1/31/16, there were 35, 28, 23, 21, 17, and 3 funds, respectively, in this Lipper category.



**Fund price and distribution information** For the six-month period ended 1/31/16

**Distributions**

Number	6
Income	\$0.156
Capital gains	—
<b>Total</b>	<b>\$0.156</b>

Share value	NAV	Market price
7/31/15	\$5.72	\$5.10
1/31/16	5.23	4.73

Current rate (end of period)	NAV	Market Price
Current dividend rate*	5.97%	6.60%

The classification of distributions, if any, is an estimate. Final distribution information will appear on your year-end tax forms.

\* Most recent distribution, including any return of capital and excluding capital gains, annualized and divided by NAV or market price at end of period.

**Fund performance as of most recent calendar quarter**

Total return for periods ended 12/31/15

	NAV	Market price
Annual average		
Life of fund (since 2/29/88)	6.75%	6.59%
10 years	62.45	78.47
Annual average	4.97	5.96
5 years	18.94	9.94
Annual average	3.53	1.91
3 years	9.32	7.97
Annual average	3.02	2.59

1 year	-1.72	0.20
6 months	-1.83	0.13

See the discussion following the fund performance table on page 12 for information about the calculation of fund performance.

Premier Income Trust 13

## Terms and definitions

### Important terms

**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 exchanges such as the New York Stock Exchange.

### Fixed-income terms

**Current rate** is the annual rate of return earned from dividends or interest of an investment. Current rate is expressed as a percentage of the price of a security, fund share, or principal investment.

**Mortgage-backed security (MBS)**, also known as a mortgage "pass-through," is a type of asset-backed security that is secured by a mortgage or collection of mortgages. The following are types of MBSs:

**Agency "pass-through"** has its principal and interest backed by a U.S. government agency, such as the Federal National Mortgage Association (Fannie Mae), Government National Mortgage Association (Ginnie Mae), and Federal Home Loan Mortgage Corporation (Freddie Mac).

**Collateralized mortgage obligation (CMO)** represents claims to specific cash flows from pools of home mortgages. The streams of principal and interest payments on the mortgages are distributed to the different classes of CMO interests in "tranches." Each tranche may have different principal balances, coupon rates, prepayment risks, and maturity dates. A CMO is highly sensitive to changes in interest rates and any resulting change in the rate at which homeowners sell their properties, refinance, or otherwise prepay loans. CMOs are subject to prepayment, market, and liquidity risks.

**Interest-only (IO) security** is a type of CMO in which the underlying asset is the interest portion of mortgage, Treasury, or bond payments.

**Non-agency residential mortgage-backed security (RMBS)** is an MBS not backed by Fannie Mae, Ginnie Mae, or Freddie Mac. One type of RMBS is an Alt-A mortgage-backed security.

**Commercial mortgage-backed security (CMBS)** is secured by the loan on a commercial property.

**Yield curve** is a graph that plots the yields of bonds with equal credit quality against their differing maturity dates, ranging from shortest to longest. It is used as a benchmark for other debt, such as mortgage or bank lending rates.

## Comparative indexes

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

**Barclays U.S. Aggregate Bond Index** is an unmanaged index of U.S. investment-grade fixed-income securities.

**BofA Merrill Lynch U.S. 3-Month Treasury Bill Index** is an unmanaged index that seeks to measure the performance of U.S. Treasury bills available in the marketplace.

**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.

14 Premier Income Trust

---

**Lipper** is a third-party industry-ranking entity that ranks mutual funds. Its rankings do not reflect sales charges. Lipper rankings are based on total return at net asset value relative to other funds that have similar current investment styles or objectives as determined by Lipper. Lipper may change a fund's category assignment at its discretion. Lipper category averages reflect performance trends for funds within a category.

## Other information for shareholders

### Important notice regarding share repurchase program

In September 2015, the Trustees of your fund approved the renewal of a share repurchase program that had been in effect since 2005. This renewal allows your fund to repurchase, in the 12 months beginning October 8, 2015, up to 10% of the fund's common shares outstanding as of October 7, 2015.

### Important notice regarding delivery of shareholder documents

In accordance with Securities and Exchange Commission (SEC) regulations, Putnam sends a single copy of annual and semiannual shareholder reports, prospectuses, and proxy statements to Putnam shareholders who share the same address, unless a shareholder requests otherwise. If you prefer to receive your own copy of these documents, please call Putnam at 1-800-225-1581, and Putnam will begin sending individual copies within 30 days.

### 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, 2015, are available in the Individual Investors section of putnam.com, and on the SEC's website, www.sec.gov. If you have questions about finding forms on the SEC's website, 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

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 Form N-Q on the SEC's website at www.sec.gov. In addition, the fund's Form 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 website or the operation of the Public Reference Room.

## Trustee and employee fund ownership

Putnam employees and members of the Board of Trustees place their faith, confidence, and, most importantly, investment dollars in Putnam mutual funds. As of January 31, 2016, Putnam employees had approximately \$463,000,000 and the Trustees had approximately \$124,000,000 invested in Putnam mutual funds. These amounts include investments by the Trustees' and employees' immediate family members as well as investments through retirement and deferred compensation plans.

Premier Income Trust 15

---

## Summary of Putnam Closed-End Funds' Amended and Restated Dividend Reinvestment Plans

Putnam High Income Securities Fund, Putnam Managed Municipal Income Trust, Putnam Master Intermediate Income Trust, Putnam Municipal Opportunities Trust and Putnam Premier Income Trust (each, a "Fund" and collectively, the "Funds") each offer **dividend reinvestment plan** (each, a "Plan" and collectively, the "Plans"). If you participate in a Plan, all income dividends and capital gain distributions are **automatically reinvested** in Fund shares by the Fund's agent, Putnam Investor Services, Inc. (the "Agent"). If you are not participating in a Plan, every month you will receive all dividends and other distributions in cash, paid by check and mailed directly to you.

Upon a purchase (or, where applicable, upon registration of transfer on the shareholder records of a Fund) of shares of a Fund by a registered shareholder, each such shareholder **will be deemed to have elected to participate** in that Fund's Plan. Each such shareholder will have all distributions by a Fund automatically reinvested in additional shares, unless such shareholder elects to terminate participation in a Plan by instructing the Agent to pay future distributions in cash. Shareholders who were not participants in a Plan as of January 31, 2010, will continue to receive distributions in cash but may enroll in a Plan at any time by contacting the Agent.

If you participate in a Fund's Plan, the Agent will automatically reinvest subsequent distributions, and the Agent will send you a confirmation in the mail telling you how many additional shares were issued to your account.

To change your enrollment status or to request additional information about the Plans, you may contact the Agent either in writing, at P.O. Box 8383, Boston, MA 02266-8383, or by telephone at 1-800-225-1581 during normal East Coast business hours.

**How you acquire additional shares through a Plan** If the market price per share for your Fund's shares (plus estimated brokerage commissions) is greater than or equal to their net asset value per share on the payment date for a distribution, you will be issued shares of the Fund at a value equal to the higher of the net asset value per share on that date or 95% of the market price per share on that date.

If the market price per share for your Fund's shares (plus estimated brokerage commissions) is less than their net asset value per share on the payment date for a distribution, the Agent will buy Fund shares for participating accounts in the open market. The Agent will aggregate open-market purchases on behalf of all participants, and the average price (including brokerage commissions) of all shares purchased by the Agent will be the price per share allocable to each participant. The Agent will generally complete these open-market purchases within five business days following the payment date. If, before the Agent has completed open-market purchases, the market price per share (plus estimated brokerage commissions) rises to exceed the net asset value per share on the payment date, then the purchase price may exceed the net asset value per share, potentially resulting in the acquisition of fewer shares than if the distribution had been paid in newly issued shares.

**How to withdraw from a Plan** Participants may withdraw from a Fund's Plan at any time by notifying the Agent, either in writing or by telephone. Such withdrawal will be effective immediately if notice is received by the Agent with sufficient time prior to any distribution record date; otherwise, such withdrawal will be effective with respect to any subsequent

---

distribution following notice of withdrawal. There is no penalty for withdrawing from or not participating in a Plan.

**Plan administration** The Agent will credit all shares acquired for a participant under a Plan to the account in which the participant's common shares are held. Each participant will be sent reasonably promptly a confirmation by the Agent of each acquisition made for his or her account.

**About brokerage fees** Each participant pays a proportionate share of any brokerage commissions incurred if the Agent purchases additional shares on the open market, in accordance with the Plans. There are no brokerage charges applied to shares issued directly by the Funds under the Plans.

#### **About taxes and Plan amendments**

Reinvesting dividend and capital gain distributions in shares of the Funds does not relieve you of tax obligations, which are the same as if you had received cash distributions. The Agent supplies tax information to you and to the IRS annually. Each Fund reserves the right to amend or terminate its Plan upon 30 days' written notice. However, the Agent may assign its rights, and delegate its duties, to a successor agent with the prior consent of a Fund and without prior notice to Plan participants.

**If your shares are held in a broker or nominee name** If your shares are held in the name of a broker or nominee offering a dividend reinvestment service, consult your broker or nominee to ensure that an appropriate election is made on your behalf. If the broker or nominee holding your shares does not provide a reinvestment service, you may need to register your shares in your own name in order to participate in a Plan.

In the case of record shareholders such as banks, brokers or nominees that hold shares for others who are the beneficial owners of such shares, the Agent will administer the Plan on the basis of the number of shares certified by the record shareholder as representing the total amount registered in such shareholder's name and held for the account of beneficial owners who are to participate in the Plan.

---

## **Financial statements**

### **A guide to financial statements**

These sections of the report, as well as the accompanying Notes, constitute the fund's financial statements.

**The fund's portfolio** lists all the fund's investments and their values as of the last day of the reporting period. Holdings are organized by asset type and industry sector, country, or state to show areas of concentration and diversification.

**Statement of assets and liabilities** shows how the fund's net assets and share price are determined. All investment and non-investment assets are added together. Any unpaid expenses and other liabilities are subtracted from this total. The result is divided by the number of shares to determine the net asset value per share. (For funds with preferred shares, the amount subtracted from total assets includes the liquidation preference of preferred shares.)

**Statement of operations** shows the fund's net investment gain or loss. This is done by first adding up all the fund's earnings — from dividends and interest income — and subtracting its operating expenses to determine net investment income (or loss). Then, any net gain or loss the fund realized on the sales of its holdings — as well as any

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

unrealized gains or losses over the period — is added to or subtracted from the net investment result to determine the fund's net gain or loss for the fiscal period.

**Statement of changes in net assets** shows how the fund's net assets were affected by the fund's net investment gain or loss, by distributions to shareholders, and by changes in the number of the fund's shares. It lists distributions and their sources (net investment income or realized capital gains) over the current reporting period and the most recent fiscal year-end. The distributions listed here may not match the sources listed in the Statement of operations because the distributions are determined on a tax basis and may be paid in a different period from the one in which they were earned. Dividend sources are estimated at the time of declaration. Actual results may vary. Any non-taxable return of capital cannot be determined until final tax calculations are completed after the end of the fund's fiscal year.

**Financial highlights** provide an overview of the fund's investment results, per-share distributions, expense ratios, net investment income ratios, and portfolio turnover in one summary table, reflecting the five most recent reporting periods. In a semiannual report, the highlights table also includes the current reporting period.

18 Premier Income Trust

---

**The fund's portfolio**1/31/16 (Unaudited)

**U.S. GOVERNMENT AND AGENCY**

**MORTGAGE OBLIGATIONS (72.5%)\***

**Principal amount**

**Value**

**U.S. Government Guaranteed Mortgage Obligations (4.3%)**

Government National Mortgage Association Pass-Through Certificates

3 1/2s, TBA, February 1, 2046

\$24,000,000

\$25,312,500

---

**25,312,500**

**U.S. Government Agency Mortgage Obligations (68.2%)**

Federal National Mortgage Association Pass-Through Certificates

5 1/2s, TBA, March 1, 2046

5,000,000

5,580,469

5 1/2s, TBA, February 1, 2046

5,000,000

5,580,469

5 1/2s, TBA, February 1, 2046

5,000,000

5,435,156

4s, TBA, February 1, 2046

2,000,000

2,136,406

3 1/2s, TBA, March 1, 2046

80,000,000

83,550,000

3 1/2s, TBA, February 1, 2046

98,000,000

102,633,950

3s, TBA, March 1, 2046

73,000,000

74,331,681

3s, TBA, February 1, 2046

118,000,000

120,424,534

---

**399,672,665**

**Total U.S. government and agency mortgage obligations (cost \$420,608,125)**

**\$424,985,165**

**MORTGAGE-BACKED SECURITIES (50.9%)\***

**Principal amount**

**Value**

**Agency collateralized mortgage obligations (16.3%)**

Federal Home Loan Mortgage Corporation

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

IFB Ser. 3408, Class EK, 24.081s, 2037	\$130,748	\$214,748
IFB Ser. 2979, Class AS, 22.713s, 2034	19,831	21,985
IFB Ser. 3072, Class SM, 22.236s, 2035	250,450	394,999
IFB Ser. 3072, Class SB, 22.09s, 2035	224,331	353,777
Ser. 4122, Class TI, IO, 4 1/2s, 2042	4,497,505	707,008
Ser. 4000, Class PI, IO, 4 1/2s, 2042	2,553,898	391,002
Ser. 4024, Class PI, IO, 4 1/2s, 2041	4,400,833	730,780
Ser. 4546, Class TI, 4s, 2045	8,626,000	1,353,419
Ser. 4462, IO, 4s, 2045	4,181,672	766,751
Ser. 4425, IO, 4s, 2045	12,339,029	1,697,604
Ser. 4452, Class QI, IO, 4s, 2044	9,115,658	1,505,152
Ser. 4193, Class PI, IO, 4s, 2043	6,605,415	1,019,354
Ser. 4062, Class DI, IO, 4s, 2039	10,695,072	1,140,049
Ser. 4501, Class BI, IO, 3 1/2s, 2043	9,168,177	1,303,600
Ser. 4122, Class AI, IO, 3 1/2s, 2042	7,740,622	1,024,456
Ser. 4122, Class CI, IO, 3 1/2s, 2042	7,013,854	928,270
Ser. 4105, Class HI, IO, 3 1/2s, 2041	3,538,931	473,078
Ser. 4166, Class PI, IO, 3 1/2s, 2041	5,458,488	750,329
Ser. 304, Class C37, IO, 3 1/2s, 2027	4,490,513	498,353
Ser. 4165, Class TI, IO, 3s, 2042	15,563,559	1,699,541
Ser. 4183, Class MI, IO, 3s, 2042	7,040,841	770,268
Ser. 4210, Class PI, IO, 3s, 2041	4,827,300	407,303
Ser. 304, Class C45, IO, 3s, 2027	5,798,682	585,404
FRB Ser. 57, Class 1AX, IO, 0.379s, 2043	3,628,599	38,964
Ser. 3326, Class WF, zero %, 2035	2,487	2,020

Premier Income Trust 19

**MORTGAGE-BACKED SECURITIES (50.9%)\* cont.**

**Principal amount**

**Value**

**Agency collateralized mortgage obligations cont.**

Federal National Mortgage Association

IFB Ser. 06-62, Class PS, 37.341s, 2036	\$201,439	\$395,347
IFB Ser. 07-53, Class SP, 22.636s, 2037	218,826	356,615
IFB Ser. 08-24, Class SP, 21.719s, 2038	212,724	306,931
IFB Ser. 05-75, Class GS, 18.971s, 2035	180,451	256,058
IFB Ser. 05-83, Class QP, 16.285s, 2034	263,134	350,090
IFB Ser. 13-41, Class SP, IO, 5.774s, 2040	2,566,241	282,877
IFB Ser. 13-18, Class SB, IO, 5.724s, 2041	3,533,592	513,784
IFB Ser. 12-56, Class SG, IO, 5.574s, 2039	13,433,049	1,592,501
Ser. 374, Class 6, IO, 5 1/2s, 2036	405,314	79,812
Ser. 12-132, Class PI, IO, 5s, 2042	5,914,557	969,597
Ser. 378, Class 19, IO, 5s, 2035	1,268,091	224,579

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

Ser. 12-127, Class BI, IO, 4 1/2s, 2042	1,793,641	400,484
Ser. 12-30, Class HI, IO, 4 1/2s, 2040	13,100,227	1,810,478
Ser. 409, Class 81, IO, 4 1/2s, 2040	6,017,743	987,102
Ser. 409, Class 82, IO, 4 1/2s, 2040	7,462,113	1,226,503
Ser. 366, Class 22, IO, 4 1/2s, 2035	374,896	20,402
Ser. 15-88, Class QI, IO, 4s, 2044	7,710,596	881,950
Ser. 418, Class C24, IO, 4s, 2043	5,470,288	1,046,962
Ser. 13-41, Class IP, IO, 4s, 2043	4,818,676	777,590
Ser. 13-44, Class PI, IO, 4s, 2043	4,572,044	658,124
Ser. 13-60, Class IP, IO, 4s, 2042	3,485,815	550,013
Ser. 12-96, Class PI, IO, 4s, 2041	2,886,610	403,077
Ser. 409, Class C16, IO, 4s, 2040	4,633,335	731,251
Ser. 12-110, Class BI, IO, 3 1/2s, 2039	6,421,900	637,436
Ser. 12-145, Class TI, IO, 3s, 2042	6,987,701	620,508
Ser. 13-35, Class IP, IO, 3s, 2042	6,173,644	613,988
Ser. 13-53, Class JI, IO, 3s, 2041	5,339,728	570,283
Ser. 13-23, Class PI, IO, 3s, 2041	6,180,185	492,993
FRB Ser. 03-W10, Class 1, IO, 0.753s, 2043 F	549,245	9,041
Ser. 99-51, Class N, PO, zero %, 2029	26,360	23,724
Connecticut Avenue Securities FRB Ser. 15-C03, Class 1M2, 5.427s, 2025	758,000	724,536
Connecticut Avenue Securities FRB Ser. 15-C01, Class 2M2, 4.977s, 2025	653,000	637,524
Connecticut Avenue Securities FRB Ser. 15-C02, Class 1M2, 4.427s, 2025	1,604,000	1,474,211
Connecticut Avenue Securities FRB Ser. 15-C02, Class 2M2, 4.427s, 2025	307,000	283,956
<hr/>		
Federal National Mortgage Association Grantor Trust Ser. 00-T6, IO, 0.719s, 2030	2,677,806	56,903
<hr/>		
Government National Mortgage Association		
IFB Ser. 13-129, Class SN, IO, 5.724s, 2043	2,572,087	439,467
IFB Ser. 11-70, Class SH, IO, 5.465s, 2041	4,525,484	783,099
Ser. 14-122, Class IC, IO, 5s, 2044	3,701,429	726,220
Ser. 14-25, Class MI, IO, 5s, 2043	3,071,022	506,719
Ser. 15-187, Class KI, IO, 5s, 2043	10,698,747	1,418,472
Ser. 13-22, Class IE, IO, 5s, 2043	7,343,783	1,384,314

20 Premier Income Trust

**MORTGAGE-BACKED SECURITIES (50.9%)\* cont.**

**Principal amount**

**Value**

**Agency collateralized mortgage obligations cont.**



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

Government National Mortgage Association

Ser. 13-22, Class OI, IO, 5s, 2043	\$6,464,406	\$1,216,317
Ser. 13-3, Class IT, IO, 5s, 2043	3,608,517	678,921
Ser. 13-6, Class IC, IO, 5s, 2043	3,329,462	634,928
Ser. 12-146, IO, 5s, 2042	3,259,184	614,780
Ser. 13-6, Class CI, IO, 5s, 2042	2,462,604	419,603
Ser. 13-130, Class IB, IO, 5s, 2040	2,337,337	178,182
Ser. 13-16, Class IB, IO, 5s, 2040	2,459,445	106,609
Ser. 11-41, Class BI, IO, 5s, 2040	1,574,134	127,128
Ser. 10-35, Class UI, IO, 5s, 2040 <b>F</b>	1,878,627	349,503
Ser. 10-20, Class UI, IO, 5s, 2040	3,434,277	602,716
Ser. 10-9, Class UI, IO, 5s, 2040	15,542,121	2,919,836
Ser. 09-121, Class UI, IO, 5s, 2039	7,232,385	1,356,651
Ser. 15-79, Class GI, IO, 5s, 2039	3,067,337	557,059
Ser. 14-147, Class IJ, IO, 4 1/2s, 2044	5,949,686	843,189
Ser. 13-34, Class IH, IO, 4 1/2s, 2043	6,521,517	1,110,640
Ser. 14-108, Class IP, IO, 4 1/2s, 2042	1,420,885	230,453
Ser. 11-140, Class BI, IO, 4 1/2s, 2040	1,143,267	60,745
Ser. 11-18, Class PI, IO, 4 1/2s, 2040	430,848	50,625
Ser. 10-35, Class AI, IO, 4 1/2s, 2040	6,756,591	1,168,958
Ser. 10-35, Class QI, IO, 4 1/2s, 2040	6,093,909	1,024,587
Ser. 13-151, Class IB, IO, 4 1/2s, 2040	6,859,739	1,133,736
Ser. 10-9, Class QI, IO, 4 1/2s, 2040	4,100,264	693,129
Ser. 09-121, Class BI, IO, 4 1/2s, 2039	2,817,725	620,238
Ser. 10-168, Class PI, IO, 4 1/2s, 2039	1,500,728	142,749
Ser. 10-158, Class IP, IO, 4 1/2s, 2039	4,572,374	370,271
Ser. 10-98, Class PI, IO, 4 1/2s, 2037	1,366,435	62,132
Ser. 15-186, Class AI, IO, 4s, 2045	13,918,848	2,256,384
Ser. 15-53, Class MI, IO, 4s, 2045	6,557,913	1,471,838
Ser. 15-40, IO, 4s, 2045	7,597,235	1,616,008
Ser. 14-4, Class IC, IO, 4s, 2044	3,124,848	513,326
Ser. 13-165, Class IL, IO, 4s, 2043	2,808,698	465,794
Ser. 12-56, Class IB, IO, 4s, 2042	2,734,794	438,842
Ser. 12-47, Class CI, IO, 4s, 2042	7,040,876	1,132,774
Ser. 15-64, Class PI, IO, 3 1/2s, 2045	8,999,500	1,094,339
Ser. 13-76, IO, 3 1/2s, 2043	12,284,580	1,414,201
Ser. 13-28, IO, 3 1/2s, 2043	3,916,894	476,300
Ser. 13-54, Class JI, IO, 3 1/2s, 2043	5,850,894	681,746
Ser. 13-37, Class JI, IO, 3 1/2s, 2043	8,402,188	922,308
Ser. 13-14, IO, 3 1/2s, 2042	16,431,476	1,869,738
Ser. 13-27, Class PI, IO, 3 1/2s, 2042	6,145,065	659,181
Ser. 12-140, Class IC, IO, 3 1/2s, 2042	7,072,219	1,338,884
Ser. 12-113, Class ID, IO, 3 1/2s, 2042	3,354,137	686,491
Ser. 15-52, Class KI, IO, 3 1/2s, 2040	10,720,249	1,320,552
Ser. 15-96, Class NI, IO, 3 1/2s, 2039	7,536,468	847,099
Ser. 15-124, Class DI, IO, 3 1/2s, 2038	5,765,056	821,820
Ser. 13-H08, IO, 2.926s, 2063	13,011,370	1,098,160
Ser. 15-H20, Class CI, IO, 2.256s, 2065	11,749,867	1,444,866