

SECURITIES AND EXCHANGE COMMISSION

FORM N-CSR

Certified annual shareholder report of registered management investment companies filed on
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FILER

PUTNAM HIGH YIELD ADVANTAGE FUND

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

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

Investment Company Act file number:	(811-04616)
Exact name of registrant as specified in charter:	Putnam High Yield Advantage Fund
Address of principal executive offices:	One Post Office Square, Boston, Massachusetts 02109 Robert T. Burns, Vice President
Name and address of agent for service:	One Post Office Square Boston, Massachusetts 02109 John W. Gerstmayr, Esq.
Copy to:	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:	November 30, 2012
Date of reporting period:	December 1, 2011 — November 30, 2012

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:

FUND SYMBOL
(CLASS A SHARES)

PHYIX

Putnam High Yield Advantage Fund

Annual report
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A world of investing.™



INCOME FUNDS invest in
bonds and other securities
with the goal of providing
a steady stream of income
over time.

Putnam High Yield Advantage Fund

Annual report

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Consider these risks before investing: Lower-rated bonds may offer higher yields in return for more risk. Derivatives also involve the risk, in the case of many over-the-counter instruments, of the potential inability to terminate or sell derivatives positions and the potential failure of the other party to the instrument to meet its obligations. Bond investments are subject to interest-rate risk, which means the prices of the fund's bond investments are likely to fall if interest rates rise. Bond investments also are subject to credit risk, which is the risk that the issuer of the bond may default on payment of interest or principal. Interest-rate risk is generally greater for longer-term bonds, and credit risk is generally greater for below-investment-grade bonds, which may be considered speculative. Unlike bonds, funds that invest in bonds have ongoing fees and expenses. The prices of bonds in the fund's portfolio may fall or fail to rise over extended periods of time for a variety of reasons, including both general financial market conditions and factors related to a specific issuer.

Message from the Trustees

Dear Fellow Shareholder:

In recent months, Europe's sovereign debt crisis and the threat of the "fiscal cliff" in the United States have contributed to heightened market volatility and have curtailed economic growth.

Even with these challenges, the U.S. economy has exhibited resiliency, with employment, housing, and GDP data all improving. While most of Europe is mired in recession, slow but steady progress is being made to resolve the eurozone's years-long debt crisis. Meanwhile, China, the world's second-largest economy, is showing strength in its important manufacturing sector. Putnam's portfolio managers and analysts are trained to look for opportunities and manage downside risk in volatile market environments. We also believe in the importance of relying on the expertise of a financial advisor as you work toward your long-term financial goals.

We would like to take this opportunity to announce the arrival of two new Trustees, Liaquat Ahamed and Katinka Domotorffy, CFA, to your fund's Board of Trustees. Mr. Ahamed, who in 2010 won the Pulitzer Prize for History with his book, *Lords of Finance: The Bankers Who Broke the World*, also serves on the Board of Aspen Insurance and the Board of the Rohatyn Group, an emerging-market fund complex that manages money for institutional investors.

Ms. Domotorffy, who until year-end 2011 was a Partner, Chief Investment Officer, and Global Head of Quantitative Investment Strategies at Goldman Sachs Asset Management, currently serves as a member of the Anne Ray Charitable Trust's Investment Committee, Margaret A. Cargill Philanthropies, and director for Reach Out and Read of Greater New York, an organization dedicated to promoting early childhood literacy.

We would also like to extend a welcome to new shareholders of the fund and to thank all of our investors for your continued confidence in Putnam.

Respectfully yours,

Robert L. Reynolds
President and Chief Executive Officer
Putnam Investments

Jameson A. Baxter
Chair, Board of Trustees

January 15, 2013



About the fund

Seeking a high level of current income for investors since 1986

Unlike most types of fixed-income investments, high-yield bond performance is more dependent on the performance of the companies that issue the bonds than on interest rates. For this reason, distinguishing between opportunities and potential pitfalls requires a rigorous investment process that includes analyzing companies. With Putnam High Yield Advantage Fund, this process is highlighted by intensive research, investment diversification, and carefully timed portfolio adjustments.

Because of the risks of high-yield bond investing, in-depth credit research is essential. The fund's research team — which includes analysts who specialize by industry — visits with the management of issuing companies and analyzes each company's prospects. The team then compares this information to the bond's upside or downside potential before deciding whether it is an appropriate investment for the fund.

The fund's portfolio typically consists of bonds from a broad range of industries and companies. Holdings are diversified across industry sectors and among bonds with differing credit ratings. While the fund invests primarily in the bonds of U.S. companies, its diversified approach allows it to include foreign bonds as well.

As the bond markets shift over time, the fund's managers look for ways to capitalize on developments that affect fixed-income securities in general and high-yield bonds in particular. For example, when credit spreads are wide and are expected to tighten, the fund may pursue the higher income potential offered by lower-quality issues. On the other hand, when credit spreads are narrow — that is, when the difference in yield between higher- and lower-rated bonds of comparable maturities is small — the fund may shift its emphasis to higher-quality high-yield bonds.

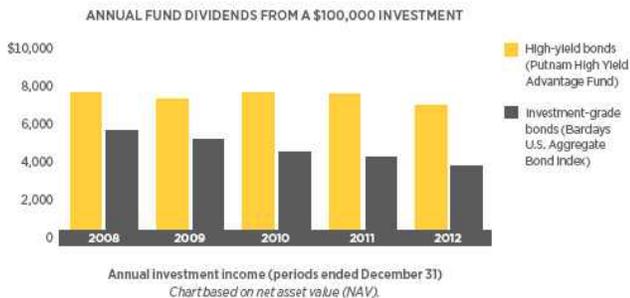
What makes a bond "high yield"?

High-yield bonds are fixed-income investments typically issued by companies that lack an established earnings track record or a solid credit history. In general, high-yield bonds offer higher interest rates than investment-grade bonds to compensate for their increased risk. Because of this added risk, these bonds are typically rated below investment grade by an independent rating agency (for example, the lowest Moody's Investors Service rating of investment-grade bonds is Baa). The lower the rating, the greater the possibility that a bond's issuer will be unable to make interest payments or repay the principal.

Bond ratings

Moody's	Grade
Aaa	Investment
Aa, A	Investment
Baa	Investment
Ba, B	High yield
Caa/Ca	High yield
C	High yield

High-yield bonds can offer greater income potential than other types of bonds.

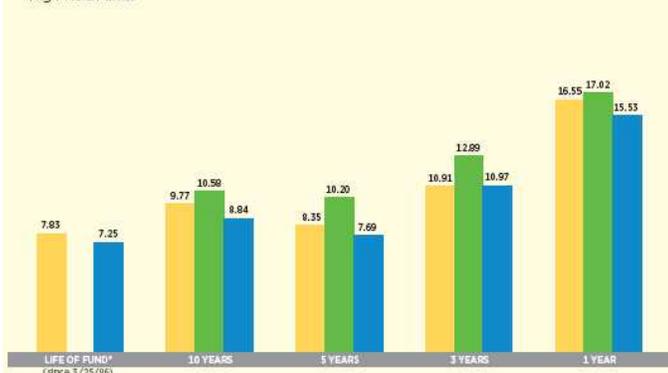


The fund invests in high-yield bonds, which generally offer higher income than do other types of bonds in exchange for greater credit risk. See pages 11-13 for complete performance information. Past performance is not indicative of future results.

Performance snapshot

Annualized total return (%) comparison as of 11/30/12

- The fund — class A shares before sales charge
Putnam High Yield Advantage Fund (PHYIX)
- Fund's benchmark
JPMorgan Developed High Yield Index
- Fund's Lipper peer group average
High Yield Funds



Current performance may be lower or higher than the quoted past performance, which cannot guarantee future results. Share price, principal value, and return will fluctuate, and you may have a gain or a loss when you sell your shares. Performance of class A shares assumes reinvestment of distributions and does not account for taxes. Fund returns in the bar chart do not reflect a sales charge of 4.00%; had they, returns would have been lower. See pages 5 and 11–13 for additional performance information. For a portion of the periods, the fund had expense limitations, without which returns would have been lower. A short-term trading fee of 1% may apply to redemptions or exchanges from certain funds within the time period specified in the fund's prospectus. To obtain the most recent month-end performance, visit putnam.com.

* The fund's benchmark, the JPMorgan Developed High Yield Index, was introduced on 12/31/94, which post-dates the inception of the fund's class A shares.

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Interview with your fund's portfolio manager



Paul D. Scanlon, CFA

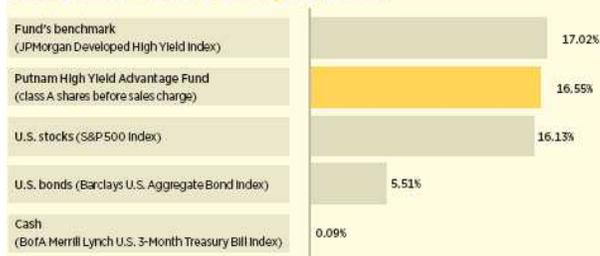
Paul, what was the market environment like for high-yield bonds during the 12 months ended November 30, 2012?

The period began on a positive note, as investors grew more optimistic about U.S. economic growth and less pessimistic about Europe's sovereign debt crisis. Investor confidence was buoyed by the European Central Bank's [ECB] Long-Term Refinancing Operation, which provided much-needed stability to global credit markets by injecting liquidity into the European banking system, thereby reducing banks' short-term funding risk. Against this backdrop, high-yield bonds rallied strongly from December through February.

As winter turned to spring, disappointing U.S. economic data, concern about slowing global economic growth, and renewed fear about eurozone debt prompted investors to reduce risk and shift back toward more-defensive asset classes and market sectors. As a result, after posting moderately positive returns in March and April, high-yield bonds, as well as other asset classes entailing greater credit or market risk, sold off in May.

The high-yield market bottomed at the beginning of June, then staged an impressive rally into mid September, fueled by encouraging comments from the ECB and robust demand from investors seeking yield. Additionally, investors concluded that U.S.

Broad market index and fund performance



This comparison shows your fund's performance in the context of broad market indexes for the 12 months ended 11/30/12. See pages 4 and 11–13 for additional fund performance information. Index descriptions can be found on pages 16–17.

High Yield Advantage Fund

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economic growth, while anemic by historical standards, would likely remain steady.

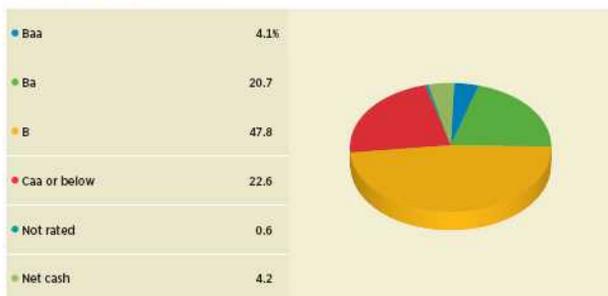
High-yield bonds were choppy during the period's latter months, due to uncertainty about the U.S. presidential election and the effect it could have on the so-called "fiscal cliff" of automatic tax increases and spending cuts that were scheduled to kick in on January 1, 2013. However, the market advanced during the period's final weeks in part due to investors' anticipation that President Obama and Congress could possibly reach a compromise. Investors were also relieved that with President Obama's reelection, Ben Bernanke likely would remain Federal Reserve chairman and the central bank's accommodative monetary policy would continue.

For the period as a whole, high-yield bonds were one of the top-performing fixed-income categories. As for the fund, it slightly under-performed its benchmark but outpaced the average return of its Lipper peer group.

What factors influenced the fund's relative performance during the period?

At the sector/industry level, overweighting financials, telecommunications, gaming and leisure, and retail aided the fund's results versus the index. Conversely, adverse security selection in utilities hampered relative performance, as did holding

Credit quality overview



Credit qualities are shown as a percentage of the fund's net assets as of 11/30/12. A bond rated Baa or higher (Prime-3 or higher, for short-term debt) is considered investment grade. The chart reflects Moody's ratings; percentages may include bonds or derivatives not rated by Moody's but rated by Standard & Poor's (S&P) or, if unrated by S&P, by Fitch Ratings, and then included in the closest equivalent Moody's rating. Ratings will vary over time.

Credit quality includes bonds and represents only the fixed-income portion of the portfolio. Derivative instruments, including forward currency contracts, are only included to the extent of any unrealized gain or loss on such instruments and are shown in the net-cash category. The fund itself has not been rated by an independent rating agency.

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lighter-than-benchmark stakes in paper/packaging, diversified media, and industrials.

“For the period as a whole, high-yield bonds were one of the top-performing fixed-income categories.”

Paul Scanlon

From a credit-quality standpoint, modestly overweighting CCC-rated securities helped the fund's relative performance, as they outperformed BB- and B-rated bonds. Underweighting BB-rated and "crossover" securities provided a further boost to results, because bonds in these ratings tiers lagged the index. Crossover bonds are those that straddle the gap between investment grade and high yield, often receiving an investment-grade rating from one rating agency and a below-investment-grade rating from another.

Which holdings helped versus the index?

Wireless carrier **Sprint Nextel** was the top individual contributor, as the company posted better-than-expected results on stronger wireless margins resulting from lower expenses and reduced roaming costs. In addition, the firm added more than one million subscribers to its network.

Satellite services provider **Intelsat** also helped the fund's performance, thanks to stronger operating margins and continued steady growth.

Top 10 holdings

HOLDING (percentage of fund's net assets)	COUPON (%) AND MATURITY DATE	SECTOR/INDUSTRY
Intelsat Luxembourg SA (0.8%)	11.5%, 2017	Communication services/ Telecommunications
HCA, Inc. (0.6%)	6.5%, 2020	Health care/Health-care services
NRG Energy, Inc. (0.5%)	7.875%, 2021	Utilities and power/ Power producers
American Axle & Manufacturing, Inc. (0.5%)	7.75%, 2019	Capital goods/Trucks and parts
ConvaTec Healthcare E SA (0.4%)	10.5%, 2018	Health care/Pharmaceuticals
CONSOL Energy, Inc. (0.4%)	8.25%, 2020	Energy/Coal
Legrand SA (0.4%)	8.5%, 2025	Capital goods/Manufacturing
MTR Gaming Group, Inc. (0.4%)	11.5%, 2019	Consumer cyclicals/ Gaming and lottery
SLM Corp. (0.4%)	8.45%, 2018	Financials/Consumer finance
Sprint Nextel Corp. (0.4%)	9%, 2018	Communication services/ Telecommunications

This table shows the fund's top 10 holdings and the percentage of the fund's net assets that each represented as of 11/30/12. Short-term holdings, derivatives, and TBA commitments are excluded. Holdings will vary over time.

High Yield Advantage Fund

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Our position in automotive finance provider **Ally Financial** [formerly GMAC] proved beneficial, as investors became more confident in the firm's ability to extricate itself from mortgage liabilities at its ResCap subsidiary.

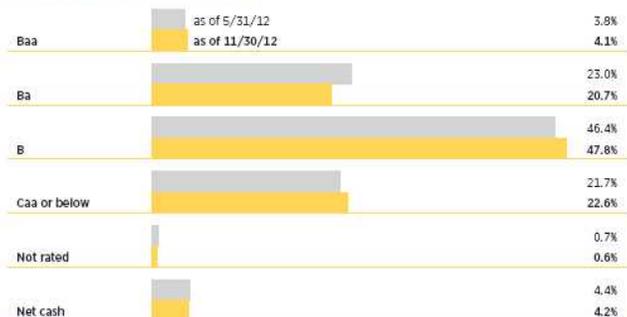
Real estate and relocation services company **Realogy** was another contributor. Prices for the firm's bonds and bank debt rose in anticipation of an initial public stock offering, along with continued modest improvement in transaction volumes and pricing. Realogy's securities were also helped by signs of recovery in the U.S. housing market.

Hospitality and gaming company **MTR Gaming Group** rounded out the group of top contributors. MTR's securities received a boost when the Ohio Gaming Commission licensed the firm to operate video lottery terminals at its Scioto Downs racetrack in Columbus, Ohio.

Which investments weren't as productive?

NII Capital, the financing subsidiary of NII Holdings, which provides mobile communications for business customers in Latin America under the Nextel brand, was a disappointment. The firm missed revenue and earnings expectations due to lower-than-forecast average revenue per user and margin pressure from its expansion and rebranding initiative. NII also indicated that it expects earnings and net subscriber additions to be markedly lower compared with the same period last year.

Credit quality comparison



This chart shows how the fund's credit quality has changed over the past six months. Credit qualities are shown as a percentage of net assets as of 11/30/12. A bond rated Baa or higher (Prime-3 or higher, for short-term debt) is considered investment grade. The chart reflects Moody's ratings; percentages may include bonds or derivatives not rated by Moody's but rated by Standard & Poor's (S&P) or, if unrated by S&P, by Fitch Ratings, and then included in the closest equivalent Moody's rating. Ratings will vary over time. Credit quality includes bonds and represents only the fixed-income portion of the portfolio. Derivative instruments, including currency forwards, are only included to the extent of any unrealized gain or loss on such instruments and are shown in the net-cash category. The fund itself has not been rated by an independent rating agency.

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The fund had underweight exposure to automaker **Chrysler Group**, and its bonds outperformed the index. Chrysler benefited from stronger U.S. sales across all of its brands.

The fund reduced its distribution rate during the period. What led to that decision?

The fund's distribution rate per class A share was lowered to \$0.031 from \$0.035 in April due to a decline in the amount of income earned because of lower overall yields across the market. Similar reductions were made to other share classes.

What is your outlook for the high-yield market over the coming months?

We evaluate the high-yield market by looking at three key factors: fundamentals, valuation, and "technicals," or the balance of supply and demand. As of now, we are neutral on all three. Looking first at fundamentals, we see an economic landscape marked by countervailing trends. Third-quarter gross domestic product came in at a better-than-expected annualized rate of 2%, indicating that the U.S. economy continued to grow, albeit at a sluggish pace compared with past post-recession recoveries. With the Japanese and German economies slowing sharply, recession in other parts of Europe, and China growing at a rate that is slow by its own standards, the areas of the U.S. economy that are heavily dependent on global trade have weakened. In our view, corporate fundamentals still appear to be reasonably solid, although earnings in various early-cycle industries are showing signs of softening. At the same time, the housing market appears to be recovering in many parts of the country, which could provide a nice boost to certain sectors of the economy. That said, the possibility of fiscal austerity in the form of spending cuts and tax increases in 2013 could dampen the positive effects of a housing recovery.

As for valuation, the yield advantage high-yield bonds offered versus Treasuries compressed during the period to 597 basis points at period-end. [A basis point is 1/100 of one percent.] The high-yield default rate ended the period at 1.3%, which is well below the long-term average of 4.2%. All told, while yield spreads on high-yield bonds have tightened, their absolute yields remain attractive against the backdrop of lower-yielding alternatives, particularly given relatively low default risk at the present time. Consequently, in our view, high-yield bonds appear to be fairly valued, barring some unforeseen market event.

Looking at market technicals, high-yield mutual funds experienced positive flows in nine out of the past twelve months, although recent flows turned negative, particularly among exchange-traded funds [ETFs]. New issuance reached record levels, with corporations seeking to lock in attractive long-term rates.

High-yield market liquidity, or ease of trading, has diminished, partly due to new regulations designed to limit risk in financial institutions. These regulatory changes have made broker/dealers more reluctant to commit risk capital to support bond inventories at the same level as in the past. As market-makers have drawn down their inventories of corporate bonds, marketplace liquidity has declined.

Given this outlook, how have you positioned the fund?

The amount of refinancing that has occurred during the past two-and-a-half years has extended the maturity profile of many high-yield issuers, which helps reduce their current debt load. As a result, we believe the prospects for the default rate to remain below the historical average for some time are quite good. That said, given the continuing uncertainty surrounding potential macroeconomic, U.S. fiscal policy, and geopolitical developments, we have modestly reduced

High Yield Advantage Fund

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the fund's overall market risk by, among other measures, moderately increasing cash. In our view, holding a cash cushion may also help the fund should marketplace liquidity remain constrained.

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

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.

Portfolio Manager **Paul D. Scanlon** is Co-Head of Fixed Income at Putnam. He has an M.B.A. from The University of Chicago Booth School of Business and a B.A. from Colgate University. A CFA charterholder, Paul joined Putnam in 1999 and has been in the investment industry since 1986.

In addition to Paul, your fund's portfolio managers are Norman P. Boucher and Robert L. Salvin.

IN THE NEWS

While the U.S. economy continues to gather strength in several key areas, estimates for overall global economic growth in 2012 and 2013 have been downgraded. The Organisation for Economic Co-operation and Development (OECD) revised its global GDP projections from 3.4% to 2.9% for 2012 and from 4.2% to 3.4% for 2013. The primary barriers to growth include the eurozone's debt crisis and, to a lesser degree, the impending U.S. "fiscal cliff." For the eurozone, the Paris-based think tank predicts negative growth of -0.4% in 2012 and -0.1% in 2013, before climbing to a tepid 1.3% in 2014. U.S. GDP growth may be significantly better, however: 2.2% for 2012, slowing to 2% in 2013, before increasing to 2.8% in 2014, according to the OECD.

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Your fund's performance

This section shows your fund's performance, price, and distribution information for periods ended November 30, 2012, the end of its most recent fiscal year. In accordance with regulatory requirements for mutual funds, we also include performance as of the most recent calendar quarter-end and expense information taken from the fund's current prospectus. 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 and principal value will fluctuate, and you may have a gain or a loss when you sell your shares. Performance information does not reflect any deduction for taxes a shareholder may owe on fund distributions or on the redemption of fund shares. For the most recent month-end performance, please visit the Individual Investors section at putnam.com or call Putnam at 1-800-225-1581. Class R and class Y shares are not available to all investors. See the Terms and Definitions section in this report for definitions of the share classes offered by your fund.

Fund performance Total return for periods ended 11/30/12

(inception dates)	Class A (3/25/86)		Class B (5/16/94)		Class C (3/30/07)		Class M (12/1/94)		Class R (3/30/07)	Class Y (12/31/98)
	Before sales charge	After sales charge	Before CDSC	After CDSC	Before CDSC	After CDSC	Before sales charge	After sales charge	Net asset value	Net asset value
Annual average (life of fund)	7.83%	7.67%	6.93%	6.93%	7.02%	7.02%	7.54%	7.40%	7.57%	8.01%
10 years	153.94	143.57	135.13	135.13	135.01	135.01	147.53	139.66	148.08	160.82
Annual average	9.77	9.31	8.93	8.93	8.92	8.92	9.49	9.13	9.51	10.06
5 years	49.34	43.41	43.84	41.84	43.90	43.90	47.46	42.74	47.60	51.13
Annual average	8.35	7.48	7.54	7.24	7.55	7.55	8.08	7.38	8.10	8.61

3 years	36.42	31.00	33.22	30.22	33.17	33.17	35.12	30.66	35.36	37.51
Annual average	10.91	9.42	10.03	9.20	10.02	10.02	10.55	9.32	10.62	11.20
1 year	16.55	11.97	15.48	10.48	15.52	14.52	16.13	12.33	16.13	16.76

Current performance may be lower or higher than the quoted past performance, which cannot guarantee future results. After-sales-charge returns for class A and M shares reflect the deduction of the maximum 4.00% and 3.25% sales charge, respectively, levied at the time of purchase. Class B share returns after contingent deferred sales charge (CDSC) reflect the applicable CDSC, which is 5% in the first year, declining over time to 1% in the sixth year, and is eliminated thereafter. Class C share returns after CDSC reflect a 1% CDSC for the first year that is eliminated thereafter. Class R and Y shares have no initial sales charge or CDSC. Performance for class B, C, M, R, and Y shares before their inception is derived from the historical performance of class A shares, adjusted for the applicable sales charge (or CDSC) and the higher operating expenses for such shares, except for class Y shares, for which 12b-1 fees are not applicable.

For a portion of the periods, the fund had expense limitations, without which returns would have been lower.

Class B share performance does not reflect conversion to class A shares.

A short-term trading fee of 1% may apply to redemptions or exchanges from certain funds within the time period specified in the fund's prospectus.

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Comparative index returns For periods ended 11/30/12

	JPMorgan Developed High Yield Index	Lipper High Yield Funds category average*
Annual average (life of fund)	—†	7.25%
10 years	173.32%	134.55
Annual average	10.58	8.84
5 years	62.55	45.13
Annual average	10.20	7.69
3 years	43.87	36.70
Annual average	12.89	10.97
1 year	17.02	15.53

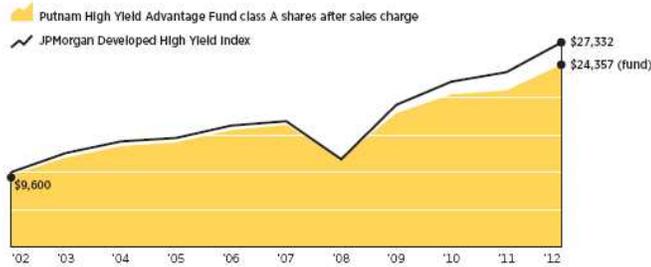
Index and Lipper results should be compared with fund performance before sales charge, before CDSC, or at net asset value.

* Over the 1-year, 3-year, 5-year, 10-year, and life-of-fund periods ended 11/30/12, there were 504, 440, 377, 257 and 24 funds, respectively, in this Lipper category.

† The fund's benchmark, the JPMorgan Developed High Yield Index, was introduced on 12/31/94, which post-dates the inception of the fund's class A shares.

Change in the value of a \$10,000 investment (\$9,600 after sales charge)

Cumulative total return from 11/30/02 to 11/30/12



Past performance does not indicate future results. At the end of the same time period, a \$10,000 investment in the fund's class B and class C shares would have been valued at \$23,513 and \$23,501, respectively, and no contingent deferred sales charges would apply. A \$10,000 investment in the fund's class M shares (\$9,675 after sales charge) would have been valued at \$23,966. A \$10,000 investment in the fund's class R and class Y shares would have been valued at \$24,808 and \$26,082, respectively.

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Fund price and distribution information For the 12-month period ended 11/30/12

Distributions	Class A		Class B		Class C		Class M		Class R		Class Y	
Number	12		12		12		12		12		12	
Income	\$0.403		\$0.362		\$0.361		\$0.391		\$0.391		\$0.415	
Total	\$0.403		\$0.362		\$0.361		\$0.391		\$0.391		\$0.415	
Share value	Before sales charge	After sales charge	Net asset value	Net asset value	Before sales charge	After sales charge	Net asset value	Net asset value	Before sales charge	After sales charge	Net asset value	Net asset value
11/30/11	\$5.62	\$5.85	\$5.52	\$5.50	\$5.62	\$5.81	\$5.62	\$5.81	\$5.62	\$5.81	\$5.62	\$5.81
11/30/12	6.12	6.38	5.99	5.97	6.11	6.32	6.11	6.34	6.11	6.34	6.11	6.34
Current yield (end of period)	Before sales charge	After sales charge	Net asset value	Net asset value	Before sales charge	After sales charge	Net asset value	Net asset value	Before sales charge	After sales charge	Net asset value	Net asset value
Current dividend rate ¹	6.08%	5.83%	5.61%	5.43%	5.89%	5.70%	5.89%	5.70%	5.89%	5.70%	5.89%	5.70%
Current 30-day SEC yield ²	N/A	5.02	4.49	4.49	N/A	4.82	4.99	5.48	N/A	4.82	4.99	5.48

The classification of distributions, if any, is an estimate. Before-sales-charge share value and current dividend rate for class A and M shares, if applicable, do not take into account any sales charge levied at the time of purchase. After-sales-charge share value, current dividend rate, and current 30-day SEC yield, if applicable, are calculated assuming that the maximum sales charge (4.00% for class A shares and 3.25% for class M shares) was levied at the time of purchase. Final distribution information will appear on your year-end tax forms.

¹ Most recent distribution, excluding capital gains, annualized and divided by share price before or after sales charge at period-end.

² Based only on investment income and calculated using the maximum offering price for each share class, in accordance with SEC guidelines.

Fund performance as of most recent calendar quarter

Total return for periods ended 12/31/12

(inception dates)	Class A (3/25/86)		Class B (5/16/94)		Class C (3/30/07)		Class M (12/1/94)		Class R (3/30/07)		Class Y (12/31/98)	
	Before sales charge	After sales charge	Before CDSC	After CDSC	Before CDSC	After CDSC	Before sales charge	After sales charge	Net asset value	Net asset value	Before sales charge	After sales charge
Annual average (life of fund)	7.86%	7.70%	6.97%	6.97%	7.05%	7.05%	7.57%	7.44%	7.60%	8.04%	7.86%	7.70%
10 years	156.35	146.31	137.81	137.81	138.01	138.01	150.30	142.32	150.81	163.18	156.35	146.31
Annual average	9.87	9.43	9.05	9.05	9.06	9.06	9.61	9.25	9.63	10.16	9.87	9.43
5 years	51.26	45.20	45.97	43.97	46.04	46.04	49.60	44.77	49.50	53.01	51.26	45.20
Annual average	8.63	7.74	7.86	7.56	7.87	7.87	8.39	7.68	8.37	8.88	8.63	7.74
3 years	34.58	29.12	31.61	28.61	31.55	31.55	33.52	29.21	33.53	35.46	34.58	29.12
Annual average	10.41	8.89	9.59	8.75	9.57	9.57	10.12	8.92	10.12	10.65	10.41	8.89
1 year	15.11	10.47	14.23	9.23	14.24	13.24	14.88	11.19	14.88	15.35	15.11	10.47
6 months	7.36	3.02	6.95	1.95	6.96	5.96	7.26	3.76	7.26	7.37	7.36	3.02

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Your fund's expenses

As a mutual fund investor, you pay ongoing expenses, such as management fees, distribution fees (12b-1 fees), and other expenses. Using the following information, you can estimate how these expenses affect your investment and compare them with the expenses of other funds. You may also pay one-time transaction expenses, including sales charges (loads) and redemption fees, which are not shown in this section and would have resulted in higher total expenses. For more information, see your fund's prospectus or talk to your financial representative.

Expense ratios

	Class A	Class B	Class C	Class M	Class R	Class Y
Total annual operating expenses for the fiscal year ended 11/30/11	1.04%	1.79%	1.79%	1.29%	1.29%	0.79%
Annualized expense ratio for the six-month period ended 11/30/12*	1.03%	1.78%	1.78%	1.28%	1.28%	0.78%

Fiscal-year expense information in this table is taken from the most recent prospectus, is subject to change, and may differ from that shown for the annualized expense ratio and in the financial highlights of this report. Expenses are shown as a percentage of average net assets.

* For the fund's most recent fiscal half year; may differ from expense ratios based on one-year data in the financial highlights.

Expenses per \$1,000

The following table shows the expenses you would have paid on a \$1,000 investment in the fund from June 1, 2012, to November 30, 2012. It also shows how much a \$1,000 investment would be worth at the close of the period, assuming *actual returns* and expenses.

	Class A	Class B	Class C	Class M	Class R	Class Y
Expenses paid per \$1,000†	\$5.36	\$9.23	\$9.23	\$6.65	\$6.65	\$4.06
Ending value (after expenses)	\$1,080.70	\$1,074.90	\$1,075.00	\$1,077.90	\$1,077.90	\$1,082.40

* Expenses for each share class are calculated using the fund's annualized expense ratio for each class, which represents the ongoing expenses as a percentage of average net assets for the six months ended 11/30/12. The expense ratio may differ for each share class.

† Expenses are calculated by multiplying the expense ratio by the average account value for the period; then multiplying the result by the number of days in the period; and then dividing that result by the number of days in the year.

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Estimate the expenses you paid

To estimate the ongoing expenses you paid for the six months ended November 30, 2012, use the following calculation method. To find the value of your investment on June 1, 2012, call Putnam at 1-800-225-1581.

How to calculate the expenses you paid					
Value of your investment on 6/1/12	÷	\$1,000	×	Expenses paid per \$1,000	= Total expenses paid
Example Based on a \$10,000 investment in class A shares of your fund:					
\$10,000	÷	\$1,000	×	\$5.36 (see preceding table)	= \$53.60

Compare expenses using the SEC's method

The Securities and Exchange Commission (SEC) has established guidelines to help investors assess fund expenses. Per these guidelines, the following table shows your fund's expenses based on a \$1,000 investment, assuming a *hypothetical 5% annualized return*. You can use this information to compare the ongoing expenses (but not transaction expenses or total costs) of investing in the fund with those of other funds. All mutual fund shareholder reports will provide this information to help you make this comparison. Please note that you cannot use this information to estimate your actual ending account balance and expenses paid during the period.

	Class A	Class B	Class C	Class M	Class R	Class Y
Expenses paid per \$1,000†	\$5.20	\$8.97	\$8.97	\$6.46	\$6.46	\$3.94
Ending value (after expenses)	\$1,019.85	\$1,016.10	\$1,016.10	\$1,018.60	\$1,018.60	\$1,021.10

* Expenses for each share class are calculated using the fund's annualized expense ratio for each class, which represents the ongoing expenses as a percentage of average net assets for the six months ended 11/30/12. The expense ratio may differ for each share class.

† Expenses are calculated by multiplying the expense ratio by the average account value for the period; then multiplying the result by the number of days in the period; and then dividing that result by the number of days in the year.

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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.

Before sales charge, or net asset value, is the price, or value, of one share of a mutual fund, without a sales charge. Before-sales-charge figures fluctuate with market conditions, and are calculated by dividing the net assets of each class of shares by the number of outstanding shares in the class.

After sales charge is the price of a mutual fund share plus the maximum sales charge levied at the time of purchase. After-sales-charge performance figures shown here assume the 4.00% maximum sales charge for class A shares and 3.25% for class M shares.

Contingent deferred sales charge (CDSC) is generally a charge applied at the time of the redemption of class B or C shares and assumes redemption at the end of the period. Your fund's class B CDSC declines over time from a 5% maximum during the first year to 1% during the sixth year. After the sixth year, the CDSC no longer applies. The CDSC for class C shares is 1% for one year after purchase.

Share classes

Class A shares are generally subject to an initial sales charge and no CDSC (except on certain redemptions of shares bought without an initial sales charge).

Class B shares are not subject to an initial sales charge. They may be subject to a CDSC.

Class C shares are not subject to an initial sales charge and are subject to a CDSC only if the shares are redeemed during the first year.

Class M shares have a lower initial sales charge and a higher 12b-1 fee than class A shares and no CDSC (except on certain redemptions of shares bought without an initial sales charge).

Class R shares are not subject to an initial sales charge or CDSC and are available only to certain defined contribution plans.

Class Y shares are not subject to an initial sales charge or CDSC, and carry no 12b-1 fee. They are generally only available to corporate and institutional clients and clients in other approved programs.

Fixed-income terms

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

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

BofA (Bank of America) 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.

JPMorgan Developed High Yield Index is an unmanaged index of high-yield fixed-income securities issued in developed countries.

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.

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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 Putnam's privacy policy

In order to conduct business with our shareholders, we must obtain certain personal information such as account holders' names, addresses, Social Security numbers, and dates of birth. Using this information, we are able to maintain accurate records of accounts and transactions.

It is our policy to protect the confidentiality of our shareholder information, whether or not a shareholder currently owns shares of our funds. In particular, it is our policy not to sell information about you or your accounts to outside marketing firms. We have safeguards in place designed to prevent unauthorized access to our computer systems and procedures to protect personal information from unauthorized use.

Under certain circumstances, we must share account information with outside vendors who provide services to us, such as mailings and proxy solicitations. In these cases, the service providers enter into confidentiality agreements with us, and we provide only the information necessary to process transactions and perform other services related to your account. Finally, it is our policy to share account information with your financial representative, if you've listed one on your Putnam account.

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, 2012, are available in the Individual Investors section at putnam.com, and on the Securities and Exchange Commission (SEC) 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 Forms N-Q on the SEC's website at www.sec.gov. In addition, the fund's Forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. You may call the SEC at 1-800-SEC-0330 for information about the SEC's 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 November 30, 2012, Putnam employees had approximately \$340,000,000 and the Trustees had approximately \$83,000,000 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.

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Trustee approval of management contract

General conclusions

The Board of Trustees of the Putnam funds oversees the management of each fund and, as required by law, determines annually whether to approve the continuance of your fund's management contract with Putnam Investment Management ("Putnam Management") and the sub-management contract with respect to your fund between Putnam Management and its affiliate, Putnam Investments Limited ("PIL").

The Board of Trustees, with the assistance of its Contract Committee, requests and evaluates all information it deems reasonably necessary under the circumstances in connection with its annual contract review. The Contract Committee consists solely of Trustees who are not "interested persons" (as this term is defined in the Investment Company Act of 1940, as amended (the "1940 Act")) of the Putnam funds ("Independent Trustees").

At the outset of the review process, members of the Board's independent staff and independent legal counsel met with representatives of Putnam Management to review the annual contract review materials furnished to the Contract Committee during the course of the previous year's review and to discuss possible changes in these materials that might be necessary or desirable for the coming year. Following these discussions and in consultation with the Contract Committee, the Independent Trustees' independent legal counsel requested that Putnam Management furnish specified information, together with any additional information that Putnam Management considered relevant, to the Contract Committee. Over the course of several months ending in June 2012, the Contract Committee met on a number of occasions with representatives of Putnam Management, and separately in executive session, to consider the information that Putnam Management provided. Throughout this process, the Contract Committee was assisted by the members of the Board's independent staff and by independent legal counsel for the Putnam funds and the Independent Trustees.

In May 2012, the Contract Committee met in executive session with the other Independent Trustees to discuss the Contract Committee's preliminary recommendations with respect to the continuance of the contracts. At the Trustees' June 22, 2012 meeting, the Contract Committee met in executive session with the other Independent Trustees to review a summary of the key financial data that the Contract Committee considered in the course of its review. The Contract Committee then presented its written report, which summarized the key factors that the Committee had considered and set forth its final recommendations. The Contract Committee then recommended, and the Independent Trustees approved, the continuance of your fund's management and sub-management contracts, effective July 1, 2012. (Because PIL is an affiliate of Putnam Management and Putnam Management remains fully responsible for all services provided by PIL, the Trustees have not evaluated PIL as a separate entity, and all subsequent references to Putnam Management below should be deemed to include reference to PIL as necessary or appropriate in the context.)

The Independent Trustees' approval was based on the following conclusions:

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

These conclusions were based on a comprehensive consideration of all information provided to the Trustees and were not the result of any single factor. Some of the factors that figured

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particularly in the Trustees' deliberations and how the Trustees considered these factors are described below, although individual Trustees may have evaluated the information presented differently, giving different weights to various factors. It is also important to recognize that the management arrangements for your fund and the other Putnam funds are the result of many years of review and discussion between the Independent Trustees and Putnam Management, that some aspects of the arrangements may receive greater scrutiny in some years than others, and that the Trustees' conclusions may be based, in part, on their consideration of fee arrangements in previous years.

Management fee schedules and total expenses

The Trustees reviewed the management fee schedules in effect for all Putnam funds, including fee levels and breakpoints. In reviewing management fees, the Trustees generally focus their attention on material changes in circumstances — for example, changes in assets under management, changes in a fund's investment style, changes in Putnam Management's operating costs, or changes in competitive practices in the mutual fund industry — that suggest that consideration of fee changes might be warranted. The Trustees concluded that the circumstances did not warrant changes to the management fee structure of your fund.

Most of the open-end Putnam funds, including your fund, have relatively new management contracts, which introduced fee schedules that reflect more competitive fee levels for many funds, complex-wide breakpoints for the open-end funds, and performance fees for some funds. These new management contracts have been in effect for two years — since January or, for a few funds, February 2010. The Trustees approved the new management contracts on July 10, 2009, and fund shareholders subsequently approved the contracts by overwhelming majorities of the shares voted.

Under its management contract, your fund has the benefit of breakpoints in its management fee that provide shareholders with significant economies of scale in the form of reduced fee levels as assets under management in the Putnam family of funds increase. The Contract Committee observed that the complex-wide breakpoints of the open-end funds had only been in place for two years, and the Trustees will continue to examine the operation of this new breakpoint structure in future years in light of further experience.

As in the past, the Trustees also focused on the competitiveness of each fund's total expense ratio. In order to ensure that expenses of the Putnam funds continue to meet evolving competitive standards, the Trustees and Putnam Management agreed in 2009 to implement certain expense limitations. These expense limitations serve in particular to maintain competitive expense levels for funds with large numbers of small shareholder accounts and funds with relatively small net assets. Most funds, including your fund, had sufficiently low expenses that these expense limitations did not apply. The expense limitations were: (i) a contractual expense limitation applicable to all retail open-end funds of 37.5 basis points (effective March 1, 2012, this expense limitation was reduced to 32 basis points) on investor servicing fees and expenses and (ii) a contractual expense limitation applicable to all open-end funds of 20 basis points on so-called "other expenses" (i.e., all expenses exclusive of management fees, investor servicing fees, distribution fees, investment-related expenses, interest, taxes, brokerage commissions, extraordinary expenses and acquired fund fees and expenses). Putnam Management's support for these expense limitations, including its agreement to reduce the expense limitation applicable to the open-end funds' investor servicing fees and expenses as noted above, was an important factor in the Trustees' decision to approve the continuance of your fund's management and sub-management contracts.

The Trustees reviewed comparative fee and expense information for a custom group of competitive funds selected by Lipper Inc. This comparative information included your fund's percentile ranking for effective management

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fees and total expenses (excluding any applicable 12b-1 fee), which provides a general indication of your fund's relative standing. In the custom peer group, your fund ranked in the 2nd quintile in effective management fees (determined for your fund and the other funds in the custom peer group based on fund asset size and the applicable contractual management fee schedule) and in the 2nd quintile in total expenses (excluding any applicable 12b-1 fees) as of December 31, 2011 (the first quintile representing the least expensive funds and the fifth quintile the most expensive funds). The fee and expense data reported by Lipper as of December 31, 2011 reflected the most recent fiscal year-end data available in Lipper's database at that time.

In connection with their review of the management fees and total expenses of the Putnam funds, the Trustees also reviewed the costs of the services provided and the profits realized by Putnam Management and its affiliates from their contractual relationships with the funds. This information included trends in revenues, expenses and profitability of Putnam Management and its affiliates relating to the investment management, investor servicing and distribution services provided to the funds. In this regard, the Trustees also reviewed an analysis of Putnam Management's revenues, expenses and profitability, allocated on a fund-by-fund basis, with respect to the funds' management, distribution, and investor servicing contracts. For each fund, the analysis presented

information about revenues, expenses and profitability for each of the agreements separately and for the agreements taken together on a combined basis. The Trustees concluded that, at current asset levels, the fee schedules in place represented reasonable compensation for the services being provided and represented an appropriate sharing of such economies of scale as may exist in the management of the funds at that time.

The information examined by the Trustees as part of their annual contract review for the Putnam funds has included for many years information regarding fees charged by Putnam Management and its affiliates to institutional clients such as defined benefit pension plans, college endowments, and the like. This information included comparisons of those fees with fees charged to the funds, as well as an assessment of the differences in the services provided to these different types of clients. The Trustees observed that the differences in fee rates between institutional clients and mutual funds are by no means uniform when examined by individual asset sectors, suggesting that differences in the pricing of investment management services to these types of clients may reflect historical competitive forces operating in separate markets. The Trustees considered the fact that in many cases fee rates across different asset classes are higher on average for mutual funds than for institutional clients, as well as the differences between the services that Putnam Management provides to the Putnam funds and those that it provides to its institutional clients. The Trustees did not rely on these comparisons to any significant extent in concluding that the management fees paid by your fund are reasonable.

Investment performance

The quality of the investment process provided by Putnam Management represented a major factor in the Trustees' evaluation of the quality of services provided by Putnam Management under your fund's management contract. The Trustees were assisted in their review of the Putnam funds' investment process and performance by the work of the investment oversight committees of the Trustees, which meet on a regular basis with the funds' portfolio teams and with the Chief Investment Officer and other members of Putnam Management's Investment Division throughout the year. The Trustees concluded that Putnam Management generally provides a high-quality investment process — based on the experience and skills of the individuals assigned to the management of fund portfolios, the resources made available to them, and in general Putnam Management's ability to attract and retain high-quality personnel — but also recognized that this does

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not guarantee favorable investment results for every fund in every time period.

The Trustees considered the investment performance of each fund over multiple time periods and considered information comparing each fund's performance with various benchmarks and, where applicable, with the performance of competitive funds or targeted annualized return. They noted that since 2009, when Putnam Management began implementing major changes to strengthen its investment personnel and processes, there has been a steady improvement in the number of Putnam funds showing above-median three-year performance results. They also noted the disappointing investment performance of some funds for periods ended December 31, 2011 and considered information provided by Putnam Management regarding the factors contributing to the underperformance and actions being taken to improve the performance of these particular funds. The Trustees indicated their intention to continue to monitor performance trends to assess the effectiveness of these efforts and to evaluate whether additional actions to address areas of underperformance are warranted.

In the case of your fund, the Trustees considered that its class A share cumulative total return performance at net asset value was in the following quartiles of its Lipper Inc. peer group (Lipper High Yield Current Funds) for the one-year, three-year and five-year periods ended December 31, 2011 (the first quartile representing the best-performing funds and the fourth quartile the worst-performing funds):

One-year period	3rd
Three-year period	3rd
Five-year period	2nd

Over the one-year, three-year and five-year periods ended December 31, 2011, there were 491, 424 and 356 funds, respectively, in your fund's Lipper peer group. (When considering performance information, shareholders should be mindful that past performance is not a guarantee of future results.)

Brokerage and soft-dollar allocations; investor servicing

The Trustees considered various potential benefits that Putnam Management may receive in connection with the services it provides under the management contract with your fund. These include benefits related to brokerage allocation and the use of soft dollars, whereby a portion of the commissions paid by a fund for brokerage may be used to acquire research services that are expected to be useful to Putnam Management in managing the assets of the fund and of other clients. Subject to policies established by the Trustees, soft-dollar credits acquired through these means are used primarily to acquire research services that supplement Putnam Management's internal research efforts. However, the Trustees noted that a portion of available soft-dollar credits continues to be allocated to the payment of fund expenses. The Trustees indicated their continued intent to monitor regulatory developments in this area with the assistance of their Brokerage Committee and also indicated their continued intent to monitor the potential benefits associated with fund brokerage and soft-dollar allocations and trends in industry practices to ensure that the principle of seeking best price and execution remains paramount in the portfolio trading process.

Putnam Management may also receive benefits from payments that the funds make to Putnam Management's affiliates for investor or distribution services. In conjunction with the annual review of your fund's management and sub-management contracts, the Trustees reviewed your fund's investor servicing agreement with Putnam Investor Services, Inc. ("PSERV") and its distributor's contracts and distribution plans with Putnam Retail Management Limited Partnership ("PRM"), both of which are affiliates of Putnam Management. The Trustees concluded that the fees payable by the funds to PSERV and PRM, as applicable, for such services are reasonable in relation to the nature and quality of such services.

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Financial statements

These sections of the report, as well as the accompanying Notes, preceded by the Report of Independent Registered Public Accounting Firm, 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, which is calculated separately for each class of shares. (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 — well as any unrealized gains or losses over the period — is added to or subtracted from the investment result to determine the fund's net gain or loss for the fiscal year.

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.

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.

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Report of Independent Registered Public Accounting Firm

The Board of Trustees and Shareholders

Putnam High Yield Advantage Fund:

We have audited the accompanying statement of assets and liabilities of Putnam High Yield Advantage Fund (the fund), including the fund's portfolio, as of November 30, 2012, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the years in the two-year period then ended, and the financial highlights for each of the years in the five-year period then ended. These financial statements and financial highlights are the responsibility of the fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of November 30, 2012, by correspondence with the custodian and brokers or by other appropriate auditing procedures. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Putnam High Yield Advantage Fund as of November 30, 2012, the results of its operations for the year then ended, the changes in its net assets for each of the years in the two-year period then ended, and the financial highlights for each of the years in the five-year period then ended, in conformity with U.S. generally accepted accounting principles.

KPMG LLP

Boston, Massachusetts

January 15, 2013

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The fund's portfolio 11/30/12

CORPORATE BONDS AND NOTES (87.4%)*

	Principal amount	Value
Advertising and marketing services (0.6%)		
Affinion Group, Inc. company guaranty sr. unsec. notes 7 7/8s, 2018	\$1,430,000	\$1,144,000
Affinion Group, Inc. company guaranty sr. unsec. sub. notes 11 1/2s, 2015	1,385,000	1,121,850
Griffey Intermediate, Inc./Griffey Finance Sub LLC 144A sr. notes 7s, 2020	1,570,000	1,581,774
Lamar Media Corp. company guaranty sr. sub. notes 7 7/8s, 2018	560,000	618,100
Lamar Media Corp. company guaranty sr. sub. notes 5 7/8s, 2022	1,340,000	1,425,425
		5,891,149
Automotive (1.4%)		
Chrysler Group, LLC/CG Co-Issuer, Inc. company guaranty notes 8 1/4s, 2021	2,135,000	2,351,168
Ford Motor Credit Co., LLC sr. unsec. unsub. notes 5 7/8s, 2021	3,340,000	3,831,707
Ford Motor Credit Co., LLC sr. unsec. unsub. notes 5 3/4s, 2021	615,000	698,579
Navistar International Corp. sr. notes 8 1/4s, 2021	2,604,000	2,473,800
Schaeffler Finance BV sr. sec. notes Ser. REGS, 8 3/4s, 2019 (Germany)	EUR 310,000	439,888
Schaeffler Finance BV 144A company guaranty sr. notes 8 1/2s, 2019 (Germany)	\$2,080,000	2,308,799
Schaeffler Finance BV 144A company guaranty sr. notes 7 3/4s, 2017 (Germany)	565,000	618,675
TRW Automotive, Inc. 144A company guaranty sr. notes 7 1/4s, 2017	1,080,000	1,225,800
		13,948,416
Basic materials (7.2%)		
Ainsworth Lumber Co., Ltd. 144A sr. notes 7 1/2s, 2017 (Canada)	610,000	616,100
Ardagh Glass Finance PLC sr. unsub. notes Ser. REGS, 9 1/4s, 2016 (Ireland)	EUR 280,000	393,705
Ashland, Inc. 144A sr. unsec. notes 4 3/4s, 2022	\$410,000	421,275
Atkore International, Inc. company guaranty sr. notes 9 7/8s, 2018	3,530,000	3,596,187
Boise Cascade LLC/Boise Cascade Finance Corp. 144A sr. unsec. notes 6 3/8s, 2020 (United Kingdom)	270,000	274,050
Celanese US Holdings, LLC company guaranty sr. unsec. unsub. notes 4 5/8s, 2022 (Germany)	965,000	993,950
Celanese US Holdings, LLC sr. notes 5 7/8s, 2021 (Germany)	1,895,000	2,117,663
Cemex Finance, LLC 144A company guaranty sr. bonds 9 1/2s, 2016	2,390,000	2,569,250
Cemex Finance, LLC 144A company guaranty sr. notes 9 3/8s, 2022	745,000	802,738
Compass Minerals International, Inc. company guaranty sr. unsec. notes 8s, 2019	1,865,000	2,004,874
Edgen Murray Corp. 144A company guaranty sr. notes 8 3/4s, 2020	920,000	920,000
Ferro Corp. sr. unsec. notes 7 7/8s, 2018	1,905,000	1,719,263

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CORPORATE BONDS AND NOTES (87.4%)* cont.

	Principal amount	Value
Basic materials cont.		
FMG Resources August 2006 Pty, Ltd. 144A company guaranty sr. unsec. notes 6 3/8s, 2016 (Australia)	\$860,000	\$866,450
FMG Resources August 2006 Pty, Ltd. 144A sr. notes 8 1/4s, 2019 (Australia)	930,000	950,925
FMG Resources August 2006 Pty, Ltd. 144A sr. notes 7s, 2015 (Australia)	15,000	15,263
FMG Resources August 2006 Pty, Ltd. 144A sr. notes 6 7/8s, 2018 (Australia)	2,020,000	1,987,882
FMG Resources August 2006 Pty, Ltd. 144A sr. unsec. notes 6 7/8s, 2022 (Australia)	920,000	890,100
Hexion U.S. Finance Corp./Hexion Nova Scotia Finance, ULC company guaranty sr. notes 8 7/8s, 2018	1,180,000	1,191,800
Hexion U.S. Finance Corp./Hexion Nova Scotia Finance, ULC company guaranty sr. notes 6 5/8s, 2020	570,000	568,575
Hexion U.S. Finance Corp./Hexion Nova Scotia Finance, ULC company guaranty sr. notes FRN 4.81s, 2014	610,000	561,200
Huntsman International, LLC company guaranty sr. unsec. sub. notes 8 5/8s, 2021	1,165,000	1,319,363
Huntsman International, LLC company guaranty sr. unsec. sub. notes 8 5/8s, 2020	2,510,000	2,811,200
Huntsman International, LLC 144A company guaranty sr. unsec. unsub. notes 4 7/8s, 2020	965,000	955,350
IAMGOLD Corp. 144A company guaranty sr. unsec. notes 6 3/4s, 2020 (Canada)	1,815,000	1,778,700
INEOS Finance PLC 144A company guaranty sr. notes 9s, 2015 (United Kingdom)	1,710,000	1,823,202
INEOS Finance PLC 144A company guaranty sr. notes 8 3/8s, 2019 (United Kingdom)	830,000	884,988
INEOS Finance PLC 144A company guaranty sr. notes 7 1/2s,		

2020 (United Kingdom)		375,000	387,188
INEOS Group Holdings, Ltd. company guaranty sr. unsec. notes Ser. REGS, 7 7/8s, 2016 (Luxembourg)	EUR	1,250,000	1,575,162
JM Huber Corp. 144A sr. unsec. notes 9 7/8s, 2019		\$1,905,000	2,128,838
Louisiana-Pacific Corp. company guaranty sr. unsec. unsub. notes 7 1/2s, 2020		805,000	897,575
LyondellBasell Industries NV sr. unsec. notes 6s, 2021 (Netherlands)		2,790,000	3,330,563
LyondellBasell Industries NV sr. unsec. unsub. notes 5 3/4s, 2024 (Netherlands)		1,915,000	2,298,000
LyondellBasell Industries NV sr. unsec. unsub. notes 5s, 2019 (Netherlands)		3,455,000	3,839,368
Momentive Performance Materials, Inc. company guaranty notes 9 1/2s, 2021	EUR	465,000	429,976
Momentive Performance Materials, Inc. 144A company guaranty sr. notes 10s, 2020		\$560,000	537,600
MPM Escrow LLC /MPM Finance Escrow Corp. 144A sr. notes 8 7/8s, 2020		730,000	724,525
New Gold, Inc. 144A company guaranty sr. unsec. unsub. notes 7s, 2020 (Canada)		920,000	977,500
New Gold, Inc. 144A sr. unsec. notes 6 1/4s, 2022 (Canada)		485,000	491,548

High Yield Advantage Fund

25

CORPORATE BONDS AND NOTES (87.4%)* cont.	Principal amount	Value
Basic materials cont.		
Novelis, Inc. company guaranty sr. unsec. notes 8 3/4s, 2020	\$1,030,000	\$1,153,600
Novelis, Inc. sr. unsec. notes company guaranty 8 3/8s, 2017	25,000	27,500
Nufarm Australia Ltd. 144A company guaranty sr. notes 6 3/8s, 2019 (Australia)	1,140,000	1,183,367
Perstorp Holding AB 144A company guaranty sub. notes 11s, 2017 (Sweden)	605,000	571,725
Perstorp Holding AB 144A company guaranty sr. notes 8 3/4s, 2017 (Sweden)	1,525,000	1,532,625
PQ Corp. 144A sr. notes 8 3/4s, 2018	1,215,000	1,248,413
Rockwood Specialties Group, Inc. company guaranty sr. unsec. notes 4 5/8s, 2020	370,000	378,325
Roofing Supply Group, LLC/Roofing Supply Finance, Inc. 144A company guaranty sr. unsec. notes 10s, 2020	1,360,000	1,502,800
Ryerson, Inc./Joseph T Ryerson & Son, Inc. 144A company guaranty sr. notes 9s, 2017	1,250,000	1,237,500
Sealed Air Corp. 144A sr. unsec. notes 6 1/2s, 2020	300,000	312,000
Smurfit Kappa Acquisition company guaranty sr. bonds 7 1/4s, 2017 (Ireland)	EUR 100,000	139,709
Smurfit Kappa Acquisitions 144A company guaranty sr. notes 4 7/8s, 2018 (Ireland)	\$1,210,000	1,225,125
Smurfit Kappa Treasury company guaranty sr. unsec. unsub. debs 7 1/2s, 2025 (Ireland)	840,000	865,200
Steel Dynamics, Inc. company guaranty sr. unsec. unsub. notes 6 3/4s, 2015	80,000	81,400
Steel Dynamics, Inc. sr. unsec. notes company guaranty 7 5/8s, 2020	115,000	126,788
Steel Dynamics, Inc. 144A company guaranty sr. unsec. notes 6 3/8s, 2022	270,000	282,150
Steel Dynamics, Inc. 144A company guaranty sr. unsec. notes 6 1/8s, 2019	610,000	637,450
Taminco Global Chemical Corp. 144A sr. notes 9 3/4s, 2020 (Belgium)	2,215,000	2,392,200
TPC Group, LLC company guaranty sr. notes 8 1/4s, 2017	1,530,000	1,698,300
Tronox Finance, LLC 144A company guaranty sr. unsec. notes 6 3/8s, 2020	2,200,000	2,167,000
Verso Paper Holdings, LLC/Verso Paper, Inc. company guaranty sr. notes 8 3/4s, 2019	345,000	103,500
Verso Paper Holdings, LLC/Verso Paper, Inc. 144A company guaranty sr. notes 11 3/4s, 2019	90,000	57,600
		69,576,173
Broadcasting (2.0%)		
Clear Channel Communications, Inc. company guaranty sr. notes 9s, 2021	805,000	710,413
Clear Channel Communications, Inc. 144A company guaranty sr. notes 9s, 2019	2,025,000	1,832,625
Clear Channel Worldwide Holdings, Inc. company guaranty sr. unsec. notes 7 5/8s, 2020	3,335,000	3,284,974
Clear Channel Worldwide Holdings, Inc. 144A company guaranty sr. unsec. unsub. notes 6 1/2s, 2022	1,545,000	1,552,725
Cumulus Media Holdings, Inc. company guaranty sr. unsec. unsub. notes 7 3/4s, 2019	1,685,000	1,630,238

26 High Yield Advantage Fund

CORPORATE BONDS AND NOTES (87.4%)* cont.	Principal amount	Value
Broadcasting cont.		
Entercom Radio, LLC company guaranty sr. unsec. sub. notes 10 1/2s, 2019	\$1,590,000	\$1,745,025
Gray Television, Inc. 144A company guaranty sr. unsec. notes 7 1/2s, 2020	1,155,000	1,155,000

LIN Television Corp. 144A company guaranty sr. unsec. notes 6 3/8s, 2021	625,000	639,063
Nexstar Broadcasting, Inc. 144A company guaranty sr. unsec. unsub. notes 6 7/8s, 2020	1,495,000	1,502,474
Nexstar Broadcasting, Inc./Mission Broadcasting, Inc. company guaranty sr. notes 8 7/8s, 2017	1,350,000	1,474,875
Sinclair Television Group, Inc. 144A sr. notes 6 1/8s, 2022	650,000	677,625
Sirius XM Radio, Inc. 144A sr. unsec. notes 5 1/4s, 2022	190,000	189,525
Univision Communications, Inc. 144A company guaranty sr. unsec. notes 8 1/2s, 2021	930,000	957,900
Univision Communications, Inc. 144A sr. notes 7 7/8s, 2020	1,265,000	1,350,388
XM Satellite Radio, Inc. 144A sr. unsec. notes 7 5/8s, 2018	870,000	961,350
		19,664,200
Building materials (1.2%)		
Building Materials Corp. 144A company guaranty sr. notes 7 1/2s, 2020	1,360,000	1,489,199
Building Materials Corp. 144A sr. notes 7s, 2020	640,000	697,600
Building Materials Corp. 144A sr. notes 6 7/8s, 2018	1,150,000	1,233,375
Building Materials Corp. 144A sr. notes 6 3/4s, 2021	530,000	580,350
Jeld-Wen Escrow Corp. 144A sr. notes 12 1/4s, 2017	2,645,000	3,061,587
Masonite International Corp., 144A company guaranty sr. notes 8 1/4s, 2021 (Canada)	1,915,000	2,049,050
Nortek, Inc. company guaranty sr. unsec. notes 10s, 2018	1,745,000	1,941,313
Owens Corning company guaranty sr. unsec. notes 9s, 2019	424,000	534,240
		11,586,714
Cable television (3.4%)		
Bresnan Broadband Holdings, LLC 144A company guaranty sr. unsec. unsub. notes 8s, 2018	1,070,000	1,150,250
Cablevision Systems Corp. sr. unsec. unsub. notes 8 5/8s, 2017	1,825,000	2,094,187
Cablevision Systems Corp. sr. unsec. unsub. notes 8s, 2020	470,000	519,350
Cablevision Systems Corp. sr. unsec. unsub. notes 7 3/4s, 2018	525,000	573,563
CCO Holdings, LLC/CCO Holdings Capital Corp. company guaranty sr. unsec. notes 7 7/8s, 2018	1,020,000	1,101,600
CCO Holdings, LLC/CCO Holdings Capital Corp. company guaranty sr. unsec. notes 6 1/2s, 2021	1,655,000	1,787,399
CCO Holdings, LLC/CCO Holdings Capital Corp. company guaranty sr. unsec. notes 5 1/4s, 2022	1,620,000	1,636,200
CCO Holdings, LLC/CCO Holdings Capital Corp. company guaranty sr. unsec. unsub. notes 7 3/8s, 2020	975,000	1,087,125
CCO Holdings, LLC/CCO Holdings Capital Corp. company guaranty sr. unsec. unsub. notes 6 5/8s, 2022	500,000	543,750
CCO Holdings, LLC/CCO Holdings Capital Corp. company guaranty sr. unsub. notes 7s, 2019	1,545,000	1,672,463
Cequel Communications Holdings I, LLC/Cequel Capital Corp. 144A sr. notes 8 5/8s, 2017	3,375,000	3,602,812
High Yield Advantage Fund		27

CORPORATE BONDS AND NOTES (87.4%)* cont.
Principal amount
Value
Cable television cont.

Cequel Communications Escrow Capital Corp. 144A sr. unsec. notes 6 3/8s, 2020	\$365,000	\$375,038
CSC Holdings, LLC 144A sr. unsec. unsub. notes 6 3/4s, 2021	1,250,000	1,375,000
DISH DBS Corp. company guaranty 7 1/8s, 2016	155,000	173,794
DISH DBS Corp. company guaranty sr. unsec. notes 7 7/8s, 2019	1,820,000	2,152,150
DISH DBS Corp. company guaranty sr. unsec. notes 6 3/4s, 2021	3,210,000	3,627,299
Mediacom, LLC/Mediacom Capital Corp. sr. unsec. notes 9 1/8s, 2019	775,000	856,375
Mediacom, LLC/Mediacom Capital Corp. sr. unsec. unsub. notes 7 1/4s, 2022	1,465,000	1,571,213
Quebecor Media, Inc. 144A sr. unsec. notes 7 3/8s, 2021 (Canada)	995,000	1,072,348
Quebecor Media, Inc. 144A sr. unsec. notes 5 3/4s, 2023 (Canada)	1,170,000	1,213,875
Unitymedia Hessen GmbH & Co. KG/Unitymedia NRW GmbH 144A company guaranty sr. notes 7 1/2s, 2019 (Germany)	735,000	805,231
Videotron Ltee company guaranty sr. unsec. unsub. notes 5s, 2022 (Canada)	1,610,000	1,658,300
Videotron Ltee sr. notes 6 7/8s, 2021 (Canada)	340,000	375,018
Virgin Media Finance PLC company guaranty sr. unsec. unsub. notes 5 1/4s, 2022 (United Kingdom)	600,000	630,428
Virgin Media Finance PLC company guaranty sr. unsec. unsub. notes 4 7/8s, 2022 (United Kingdom)	1,025,000	1,048,574
		32,703,342

Capital goods (5.6%)

ADS Waste Holdings, Inc. 144A sr. notes 8 1/4s, 2020	280,000	292,600
Altra Holdings, Inc. company guaranty sr. notes 8 1/8s, 2016	1,098,000	1,167,394
American Axle & Manufacturing, Inc. company guaranty sr. unsec. notes 7 3/4s, 2019	4,225,000	4,573,562
ARD Finance SA sr. notes Ser. REGS, 11 1/8s, 2018 (Luxembourg) ††	EUR 211,125	280,076
ARD Finance SA 144A sr. notes 11 1/8s, 2018 (Luxembourg) ††	\$469,804	488,596
Ardagh Packaging Finance PLC sr. notes Ser. REGS, 7 3/8s, 2017 (Ireland)	EUR 710,000	989,210
Ardagh Packaging Finance PLC 144A company guaranty sr. notes 7 3/8s, 2017 (Ireland)	EUR 480,000	668,762

Ardagh Packaging Finance PLC 144A company guaranty sr. unsec. unsub. notes 9 1/8s, 2020 (Ireland)	\$225,000	243,000
Ardagh Packaging Finance PLC/Ardagh MP Holdings USA, Inc. 144A company guaranty sr. notes 7 3/8s, 2017 (Ireland)	225,000	243,563
B/E Aerospace, Inc. sr. unsec. unsub. notes 6 7/8s, 2020	410,000	457,663
B/E Aerospace, Inc. sr. unsec. unsub. notes 5 1/4s, 2022	525,000	551,250
Ball Corp. company guaranty sr. unsec. notes 5s, 2022	455,000	482,300
Berry Plastics Corp. company guaranty notes 9 1/2s, 2018	1,295,000	1,418,024
Berry Plastics Corp. company guaranty unsub. notes 9 3/4s, 2021	705,000	801,938
Berry Plastics Holding Corp. company guaranty sr. unsec. sub. notes 10 1/4s, 2016	880,000	909,700

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CORPORATE BONDS AND NOTES (87.4%)* cont.	Principal amount	Value
Capital goods cont.		
BOE Merger Corp. 144A sr. unsec. notes 9 1/2s, 2017 ‡‡	\$625,000	\$612,500
Bombardier, Inc. 144A sr. unsec. notes 7 3/4s, 2020 (Canada)	755,000	842,769
Bombardier, Inc. 144A sr. unsec. notes 5 3/4s, 2022 (Canada)	485,000	494,700
Briggs & Stratton Corp. company guaranty sr. unsec. notes 6 7/8s, 2020	2,135,000	2,364,512
Consolidated Container Co. LLC/Consolidated Container Capital, Inc. 144A company guaranty sr. unsec. notes 10 1/8s, 2020	645,000	685,313
Continental Rubber of America Corp. 144A notes 4 1/2s, 2019	765,000	770,738
Crown Euro Holdings SA 144A sr. notes 7 1/8s, 2018 (France)	EUR 370,000	528,189
Exide Technologies sr. notes 8 5/8s, 2018	\$1,445,000	1,170,450
GrafTech International, Ltd. 144A company guaranty sr. unsec. notes 6 3/8s, 2020	365,000	375,950
Kratos Defense & Security Solutions, Inc. company guaranty sr. notes 10s, 2017	1,749,000	1,906,410
Legrand SA unsec. unsub. debs. 8 1/2s, 2025 (France)	3,235,000	4,327,210
Manitowoc Co., Inc. (The) company guaranty sr. unsec. notes 5 7/8s, 2022	455,000	456,138
Meritor, Inc. company guaranty sr. unsec. notes 8 1/8s, 2015	330,000	349,800
Mueller Water Products, Inc. company guaranty sr. unsec. unsub. notes 8 3/4s, 2020	180,000	205,200
Pittsburgh Glass Works, LLC 144A sr. notes 8 1/2s, 2016	2,871,000	2,619,788
Polypore International, Inc. company guaranty sr. unsec. notes 7 1/2s, 2017	2,750,000	2,980,312
Rexel SA 144A company guaranty sr. unsec. unsub. notes 6 1/8s, 2019 (France)	2,115,000	2,199,196
Reynolds Group Issuer, Inc. company guaranty sr. notes 7 7/8s, 2019	985,000	1,081,038
Reynolds Group Issuer, Inc. company guaranty sr. notes 7 1/8s, 2019	580,000	626,400
Reynolds Group Issuer, Inc. company guaranty sr. unsec. unsub. notes 9 7/8s, 2019	2,465,000	2,600,574
Reynolds Group Issuer, Inc. company guaranty sr. unsec. unsub. notes 9s, 2019	635,000	654,050
Reynolds Group Issuer, Inc. company guaranty sr. unsec. unsub. notes 8 1/4s, 2021 (New Zealand)	440,000	436,700
Reynolds Group Issuer, Inc. 144A company guaranty sr. notes 5 3/4s, 2020	925,000	945,813
Tenneco, Inc. company guaranty sr. unsec. unsub. notes 7 3/4s, 2018	625,000	678,125
Tenneco, Inc. company guaranty sr. unsub. notes 6 7/8s, 2020	1,620,000	1,743,525
Terex Corp. company guaranty sr. unsec. unsub. notes 6s, 2021	1,930,000	1,997,550
Thermadyne Holdings Corp. company guaranty sr. notes 9s, 2017	2,790,000	2,957,400
Thermon Industries, Inc. company guaranty sr. notes 9 1/2s, 2017	1,595,000	1,780,419
TransDigm, Inc. company guaranty unsec. sub. notes 7 3/4s, 2018	1,900,000	2,099,500
		54,057,907

High Yield Advantage Fund 29

CORPORATE BONDS AND NOTES (87.4%)* cont.	Principal amount	Value
Coal (1.1%)		
Alpha Natural Resources, Inc. company guaranty sr. unsec. notes 6 1/4s, 2021	\$460,000	\$407,100
Alpha Natural Resources, Inc. company guaranty sr. unsec. notes 6s, 2019	1,175,000	1,036,937
Arch Coal, Inc. company guaranty sr. unsec. notes 7 1/4s, 2020	540,000	484,650
Arch Coal, Inc. company guaranty sr. unsec. unsub. notes 7s, 2019	1,215,000	1,090,463
CONSOL Energy, Inc. company guaranty sr. unsec. notes 8 1/4s, 2020	4,055,000	4,328,712
CONSOL Energy, Inc. company guaranty sr. unsec. notes 8s, 2017	1,835,000	1,963,449
Peabody Energy Corp. company guaranty sr. unsec. notes 7 3/8s, 2016	550,000	632,500
Peabody Energy Corp. company guaranty sr. unsec. unsub. notes 6 1/2s, 2020	150,000	159,750
Peabody Energy Corp. company guaranty sr. unsec. unsub. notes 6s, 2018	225,000	235,125

		10,338,686
Commercial and consumer services (1.8%)		
ARAMARK Holdings Corp. 144A sr. unsec. notes 8 5/8s, 2016 ††	360,000	369,004
Ashtead Capital, Inc. 144A company guaranty sr. notes 6 1/2s, 2022	700,000	745,500
Interactive Data Corp. company guaranty sr. unsec. notes 10 1/4s, 2018	3,460,000	3,875,199
Lender Processing Services, Inc. company guaranty sr. unsec. unsub. notes 5 3/4s, 2023	1,830,000	1,905,488
Rural/Metro Corp. 144A sr. unsec. notes 10 1/8s, 2019	2,155,000	2,036,475
Rural/Metro Corp. 144A sr. unsec. notes 10 1/8s, 2019	585,000	549,900
Sabre Holdings Corp. sr. unsec. unsub. notes 8.35s, 2016	2,680,000	2,787,199
Sabre, Inc. 144A sr. notes 8 1/2s, 2019	1,900,000	2,014,000
Travelport, LLC company guaranty sr. unsec. sub. notes 11 7/8s, 2016	840,000	310,800
Travelport, LLC company guaranty sr. unsec. unsub. notes 9 7/8s, 2014	65,000	51,025
Travelport, LLC 144A sr. notes Ser B, 6.362s, 2016 ††	2,412,286	1,785,091
Travelport, LLC/Travelport, Inc. company guaranty sr. unsec. notes 9s, 2016	775,000	546,375

16,976,056

Consumer (0.7%)

Jarden Corp. company guaranty sr. unsec. notes 8s, 2016	605,000	644,325
Jarden Corp. company guaranty sr. unsec. sub. notes Ser. 1, 7 1/2s, 2020	EUR 250,000	353,571
Scotts Miracle-Gro Co. (The) company guaranty sr. unsec. unsub. notes 6 5/8s, 2020	\$1,240,000	1,342,300
Spectrum Brands Escrow Corp. 144A sr. unsec. notes 6 5/8s, 2022	90,000	92,700
Spectrum Brands Escrow Corp. 144A sr. unsec. notes 6 3/8s, 2020	110,000	113,163
Spectrum Brands Holdings, Inc. Company guaranty sr. notes 9 1/2s, 2018	2,255,000	2,567,880
Spectrum Brands Holdings, Inc. 144A sr. notes 6 3/4s, 2020	1,330,000	1,386,525

6,500,464

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CORPORATE BONDS AND NOTES (87.4%)* cont.

Principal amount

Value

Consumer staples (6.1%)

Avis Budget Car Rental, LLC company guaranty sr. unsec. unsub. notes 9 3/4s, 2020	\$470,000	\$540,500
Avis Budget Car Rental, LLC company guaranty sr. unsec. unsub. notes 9 5/8s, 2018	1,005,000	1,118,063
Avis Budget Car Rental, LLC company guaranty sr. unsec. unsub. notes 8 1/4s, 2019	430,000	475,688
Avis Budget Car Rental, LLC company guaranty sr. unsec. unsub. notes 7 3/4s, 2016	703,000	721,461
Burger King Corp. company guaranty sr. unsec. notes 9 7/8s, 2018	550,000	633,875
Carrols Restaurant Group, Inc. 144A company guaranty sr. notes 11 1/4s, 2018	990,000	1,086,525
CKE Holdings, Inc. 144A sr. unsec. notes 10 1/2s, 2016 ††	948,907	1,012,958
Claire's Stores, Inc. company guaranty sr. notes 8 7/8s, 2019	1,205,000	1,123,663
Claire's Stores, Inc. 144A company guaranty sr. unsec. notes 9 5/8s, 2015	74,494	68,162
Claire's Stores, Inc. 144A sr. notes 9s, 2019	2,530,000	2,662,824
Constellation Brands, Inc. company guaranty sr. unsec. unsub. notes 7 1/4s, 2016	1,935,000	2,234,924
Constellation Brands, Inc. company guaranty sr. unsec. unsub. notes 6s, 2022	735,000	840,656
Constellation Brands, Inc. company guaranty sr. unsec. unsub. notes 4 5/8s, 2023	360,000	370,800
Corrections Corporation of America company guaranty sr. notes 7 3/4s, 2017	2,270,000	2,417,550
Dave & Buster's, Inc. company guaranty sr. unsec. unsub. notes 11s, 2018	1,730,000	1,933,275
Dean Foods Co. company guaranty sr. unsec. unsub. notes 9 3/4s, 2018	445,000	501,738
Dean Foods Co. company guaranty sr. unsec. unsub. notes 7s, 2016	1,830,000	1,962,675
Del Monte Corp. company guaranty sr. unsec. notes 7 5/8s, 2019	1,640,000	1,681,000
DineEquity, Inc. company guaranty sr. unsec. notes 9 1/2s, 2018	3,436,000	3,886,974
Dole Food Co. sr. notes 13 7/8s, 2014	441,000	489,510
Dole Food Co. 144A sr. notes 8s, 2016	841,000	876,743
Elizabeth Arden, Inc. sr. unsec. unsub. notes 7 3/8s, 2021	1,415,000	1,574,188
HDTFS, Inc. 144A company guaranty sr. notes 6 1/4s, 2022	870,000	901,538
HDTFS, Inc. 144A company guaranty sr. notes 5 7/8s, 2020	745,000	769,213
Hertz Corp. (The) company guaranty sr. unsec. notes 7 1/2s, 2018	570,000	624,150
Hertz Holdings Netherlands BV 144A sr. bonds 8 1/2s, 2015 (Netherlands)	EUR 1,450,000	2,039,586
JBS USA, LLC/JBS USA Finance, Inc. company guaranty sr. unsec. notes 11 5/8s, 2014	\$585,000	658,856
JBS USA, LLC/JBS USA Finance, Inc. 144A sr. unsec. notes 8 1/4s, 2020	540,000	560,250

CORPORATE BONDS AND NOTES (87.4%)* cont.

	Principal amount	Value
Consumer staples cont.		
Landry's Acquisition Co. 144A sr. unsec. notes 9 3/8s, 2020	\$1,125,000	\$1,192,500
Libbey Glass, Inc. 144A company guaranty sr. notes 6 7/8s, 2020	960,000	1,027,200
Michael Foods, Inc. company guaranty sr. unsec. notes 9 3/4s, 2018	715,000	793,650
Post Holdings, Inc. 144A sr. unsec. notes 7 3/8s, 2022	1,300,000	1,389,375
Prestige Brands, Inc. company guaranty sr. unsec. notes 8 1/4s, 2018	1,840,000	2,023,999
Revlon Consumer Products Corp. company guaranty notes 9 3/4s, 2015	1,400,000	1,473,500
Rite Aid Corp. company guaranty sr. notes 10 1/4s, 2019	515,000	581,950
Rite Aid Corp. company guaranty sr. notes 7 1/2s, 2017	1,340,000	1,370,150
Rite Aid Corp. company guaranty sr. unsec. unsub. notes 9 1/2s, 2017	2,370,000	2,441,099
Rite Aid Corp. company guaranty sr. unsec. unsub. notes 9 1/4s, 2020	2,280,000	2,325,600
Rite Aid Corp. company guaranty sr. unsub. notes 8s, 2020	445,000	499,513
Smithfield Foods, Inc. sr. unsec. unsub. notes 6 5/8s, 2022	1,245,000	1,319,700
UR Financing Escrow Corp. 144A company guaranty notes 5 3/4s, 2018	460,000	495,650
UR Financing Escrow Corp. 144A sr. unsec. notes 7 5/8s, 2022	685,000	758,638
United Rentals North America, Inc. company guaranty sr. unsec. unsub. notes 9 1/4s, 2019	2,235,000	2,542,313
United Rentals North America, Inc. company guaranty sr. unsec. unsub. notes 6 1/8s, 2023	355,000	366,538
West Corp. company guaranty sr. unsec. notes 8 5/8s, 2018	725,000	748,563
West Corp. company guaranty sr. unsec. notes 7 7/8s, 2019	1,240,000	1,255,500
Wok Acquisition Corp. 144A sr. unsec. notes 10 1/4s, 2020	435,000	462,188
		59,060,334
Distributors (0.3%)		
HD Supply, Inc. 144A company guaranty sr. notes 8 1/8s, 2019	1,120,000	1,254,400
HD Supply, Inc. 144A company guaranty sr. unsec. notes 11 1/2s, 2020	1,590,000	1,737,075
		2,991,475
Energy (oil field) (0.9%)		
FTS International Services, LLC/FTS International Bonds, Inc. 144A company guaranty sr. unsec. unsub. notes 8 1/8s, 2018	1,127,000	1,160,810
Hiland Partners LP /Hiland Partners Finance Corp. 144A company guaranty sr. notes 7 1/4s, 2020	720,000	753,300
Key Energy Services, Inc. company guaranty unsec. unsub. notes 6 3/4s, 2021	1,420,000	1,423,550
Key Energy Services, Inc. 144A company guaranty sr. unsec. notes 6 3/4s, 2021	365,000	364,088
Offshore Group Investment, Ltd. company guaranty sr. notes 11 1/2s, 2015 (Cayman Islands)	1,966,000	2,162,599
Offshore Group Investment, Ltd. 144A company guaranty sr. notes 7 1/2s, 2019 (Cayman Islands)	1,805,000	1,814,025
SESI, LLC company guaranty sr. unsec. notes 7 1/8s, 2021	760,000	845,500
Trinidad Drilling, Ltd. 144A sr. unsec. notes 7 7/8s, 2019 (Canada)	325,000	343,688
		8,867,560

CORPORATE BONDS AND NOTES (87.4%)* cont.

	Principal amount	Value
Entertainment (0.7%)		
AMC Entertainment, Inc. company guaranty sr. sub. notes 9 3/4s, 2020	\$1,860,000	\$2,092,499
Carmike Cinemas, Inc. company guaranty notes 7 3/8s, 2019	820,000	877,400
Cedar Fair LP/Canada's Wonderland Co./Magnum Management Corp. company guaranty sr. unsec. notes 9 1/8s, 2018	255,000	288,788
Cinemark USA, Inc. company guaranty sr. unsec. notes 8 5/8s, 2019	160,000	176,800
Cinemark USA, Inc. company guaranty sr. unsec. sub. notes 7 3/8s, 2021	805,000	881,475
Regal Entertainment Group company guaranty sr. unsec. notes 9 1/8s, 2018	2,015,000	2,231,612
		6,548,574
Financials (8.9%)		
ABN AMRO North American Holding Preferred Capital Repackage Trust I 144A jr. unsec. sub. bonds FRB 3.40675s, perpetual maturity	2,605,000	2,611,513
ACE Cash Express, Inc. 144A sr. notes 11s, 2019	975,000	923,813
Air Lease Corp. sr. unsec. notes 5 5/8s, 2017	1,385,000	1,447,325
Ally Financial, Inc. company guaranty sr. notes 6 1/4s, 2017	1,235,000	1,364,101
Ally Financial, Inc. company guaranty sr. unsec. unsub. notes 8.3s, 2015	1,825,000	2,039,438
Ally Financial, Inc. company guaranty sr. unsec.		

unsub. notes 8s, 2020	795,000	977,850
Ally Financial, Inc. company guaranty sr. unsec. unsub. notes 7 1/2s, 2020	2,620,000	3,157,099
Ally Financial, Inc. company guaranty sr. unsec. unsub. notes 5 1/2s, 2017	575,000	612,375
Ally Financial, Inc. unsec. sub. notes 8s, 2018	1,331,000	1,535,641
American International Group, Inc. jr. sub. bonds FRB 8.175s, 2068	1,755,000	2,193,750
Capital One Capital IV company guaranty jr. unsec. sub. notes FRN 6.745s, 2037	1,365,000	1,371,825
CB Richard Ellis Services, Inc. company guaranty sr. unsec. notes 6 5/8s, 2020	885,000	966,863
CB Richard Ellis Services, Inc. company guaranty sr. unsec. sub. notes 11 5/8s, 2017	990,000	1,092,713
CIT Group, Inc. sr. unsec. notes 5s, 2022	1,435,000	1,504,549
CIT Group, Inc. sr. unsec. unsub. notes 5 3/8s, 2020	1,145,000	1,222,288
CIT Group, Inc. sr. unsec. unsub. notes 5 1/4s, 2018	1,505,000	1,597,181
CIT Group, Inc. sr. unsec. unsub. notes 5s, 2017	915,000	958,463
CIT Group, Inc. 144A company guaranty notes 6 5/8s, 2018	1,290,000	1,444,800
CIT Group, Inc. 144A company guaranty notes 5 1/2s, 2019	1,975,000	2,103,374
Citigroup, Inc. unsec. sub. notes 4 3/4s, 2019	EUR 565,000	703,626
CNG Holdings, Inc./OH 144A sr. notes 9 3/8s, 2020	\$680,000	691,900
CNO Financial Group, Inc. 144A company guaranty sr. notes 6 3/8s, 2020	965,000	1,010,838
Community Choice Financial, Inc. company guaranty sr. notes 10 3/4s, 2019	1,675,000	1,624,750
Dresdner Funding Trust I 144A bonds 8.151s, 2031	2,550,000	2,409,749

High Yield Advantage Fund

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CORPORATE BONDS AND NOTES (87.4%)* cont.	Principal amount	Value
Financials cont.		
E*Trade Financial Corp. sr. notes 6 3/4s, 2016	\$740,000	\$777,000
E*Trade Financial Corp. sr. unsec. unsub. notes 6 3/8s, 2019	1,545,000	1,558,519
HBOS Capital Funding LP 144A bank guaranty jr. unsec. sub. FRB 6.071s, perpetual maturity (Jersey)	1,595,000	1,299,925
HBOS PLC 144A sr. unsec. sub. notes 6 3/4s, 2018 (United Kingdom)	1,650,000	1,753,125
HBOS PLC 144A unsec. sub. bonds 6s, 2033 (United Kingdom)	650,000	586,619
Hub International Ltd. 144A company guaranty sr. notes 8 1/8s, 2018	580,000	603,200
Icahn Enterprises LP/Icahn Enterprises Finance Corp. company guaranty sr. unsec. notes 8s, 2018	3,215,000	3,415,937
International Lease Finance Corp. sr. unsec. notes 6 1/4s, 2019	1,440,000	1,526,400
International Lease Finance Corp. sr. unsec. unsub. notes 5 7/8s, 2022	1,695,000	1,741,613
International Lease Finance Corp. sr. unsec. unsub. notes 4 7/8s, 2015	630,000	644,175
iStar Financial, Inc. sr. unsec. notes 7 1/8s, 2018 ^R	1,025,000	1,036,531
iStar Financial, Inc. sr. unsec. unsub. notes Ser. B, 9s, 2017 ^R	1,255,000	1,352,263
Liberty Mutual Group, Inc. 144A company guaranty jr. unsec. sub. bonds 7.8s, 2037	970,000	1,076,700
Liberty Mutual Group, Inc. 144A company guaranty jr. unsec. sub. notes FRN 7s, 2037	195,000	193,050
MPT Operating Partnership LP/MPT Finance Corp. company guaranty sr. unsec. notes 6 7/8s, 2021 ^R	640,000	694,400
MPT Operating Partnership LP/MPT Finance Corp. company guaranty sr. unsec. unsub. notes 6 3/8s, 2022 ^R	915,000	953,888
National Money Mart Co. company guaranty sr. unsec. unsub. notes 10 3/8s, 2016 (Canada)	810,000	897,075
Nationstar Mortgage, LLC/Nationstar Capital Corp. 144A company guaranty sr. unsec. notes 9 5/8s, 2019	410,000	456,125
Nationstar Mortgage, LLC/Nationstar Capital Corp. 144A company guaranty sr. unsec. notes 7 7/8s, 2020	960,000	994,800
Nationstar Mortgage, LLC/Nationstar Capital Corp. 144A company guaranty sr. unsec. unsub. notes 9 5/8s, 2019	270,000	299,025
Neuberger Berman Group LLC/Neuberger Berman Finance Corp. 144A sr. notes 5 7/8s, 2022	1,365,000	1,426,424
Neuberger Berman Group LLC/Neuberger Berman Finance Corp. 144A sr. notes 5 5/8s, 2020	685,000	714,113
Nuveen Investments, Inc. 144A sr. unsec. notes 9 1/2s, 2020	400,000	404,000
Nuveen Investments, Inc. 144A sr. unsec. notes 9 1/8s, 2017	910,000	903,175
PHH Corp. sr. unsec. unsub. notes 9 1/4s, 2016	1,360,000	1,582,700
PHH Corp. sr. unsec. unsub. notes 7 3/8s, 2019	1,115,000	1,209,775
Provident Funding Associates LP/PFG Finance Corp. 144A sr. notes 10 1/4s, 2017	2,270,000	2,497,000
Provident Funding Associates LP/PFG Finance Corp. 144A sr. notes 10 1/8s, 2019	790,000	829,500
Regions Bank unsec. sub. notes 7 1/2s, 2018	850,000	1,020,000
Regions Financing Trust II company guaranty jr. unsec. sub. bonds FRB 6 5/8s, 2047	1,150,000	1,148,352

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CORPORATE BONDS AND NOTES (87.4%)* cont.	Principal amount	Value
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Financials cont.

Residential Capital LLC company guaranty jr. notes 9 5/8s, 2015 (In default) †		\$2,855,000	\$2,969,200
Royal Bank of Scotland Group PLC jr. unsec. sub. bonds FRB 7.648s, perpetual maturity (United Kingdom)		3,450,000	3,415,499
Royal Bank of Scotland Group PLC (The) sr. sub. notes FRN 9 1/2s, 2022 (United Kingdom)		430,000	499,574
SLM Corp. sr. notes Ser. MTN, 8s, 2020		1,585,000	1,810,863
SLM Corp. sr. unsec. unsub. notes Ser. MTN, 8.45s, 2018		3,495,000	4,062,938
Springleaf Finance Corp. sr. unsec. notes Ser. MTN, 6.9s, 2017		4,215,000	3,740,813
			85,660,120

Gaming and lottery (2.5%)

American Casino & Entertainment Properties LLC sr. notes 11s, 2014		1,960,000	2,015,125
Caesars Entertainment Operating Co., Inc. company guaranty sr. notes 10s, 2018		1,517,000	967,088
Caesars Entertainment Operating Co., Inc. sr. notes 11 1/4s, 2017		3,725,000	4,002,046
CCM Merger, Inc. 144A company guaranty sr. unsec. notes 9 1/8s, 2019		1,150,000	1,150,000
Great Canadian Gaming Corp. 144A company guaranty sr. unsec. notes 6 5/8s, 2022 (Canada)	CAD	2,210,000	2,300,238
Isle of Capri Casinos, Inc. company guaranty sr. unsec. sub. notes 8 7/8s, 2020		\$1,100,000	1,164,625
Isle of Capri Casinos, Inc. company guaranty sr. unsec. unsub. notes 7 3/4s, 2019		1,145,000	1,225,150
Mashantucket Western Pequot Tribe 144A bonds Ser. A, 8 1/2s, 2015 (In default) †		1,995,000	159,600
MTR Gaming Group, Inc. company guaranty notes 11 1/2s, 2019 ††		3,878,496	4,072,420
Pinnacle Entertainment, Inc. company guaranty sr. unsec. notes 8 5/8s, 2017		410,000	442,288
Rivers Pittsburgh Borrower LP/Rivers Pittsburgh Finance Corp. 144A sr. notes 9 1/2s, 2019		1,295,000	1,388,888
ROC Finance, LLC/ROC Finance 1 Corp. 144A notes 12 1/8s, 2018		2,055,000	2,342,700
Yonkers Racing Corp. 144A sr. notes 11 3/8s, 2016		3,086,000	3,325,165
			24,555,333

Health care (7.2%)

AmSurg Corp. 144A company guaranty sr. unsec. unsub. notes 5 5/8s, 2020		1,370,000	1,383,700
Aviv Healthcare Properties LP company guaranty sr. unsec. notes 7 3/4s, 2019		1,200,000	1,260,000
Biomet, Inc. 144A sr. unsec. notes 6 1/2s, 2020		1,925,000	2,011,625
Capella Healthcare, Inc. company guaranty sr. unsec. notes 9 1/4s, 2017		1,785,000	1,905,488
Capsugel FinanceCo SCA 144A company guaranty sr. unsec. notes 9 7/8s, 2019	EUR	1,690,000	2,482,739
CDRT Holding Corp. 144A sr. unsec. notes 9 1/4s, 2017 ††		\$1,860,000	1,850,700
CHS/Community Health Systems, Inc. company guaranty sr. notes 5 1/8s, 2018		1,570,000	1,652,425

High Yield Advantage Fund

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CORPORATE BONDS AND NOTES (87.4%)* cont.

Principal amount

Value

Health care cont.

CHS/Community Health Systems, Inc. company guaranty sr. unsec. unsub. notes 8s, 2019		\$625,000	\$680,469
ConvaTec Healthcare E SA 144A sr. notes 7 3/8s, 2017 (Luxembourg)	EUR	610,000	853,225
ConvaTec Healthcare E SA 144A sr. unsec. notes 10 1/2s, 2018 (Luxembourg)		\$3,983,000	4,341,469
Emergency Medical Services Corp. company guaranty sr. unsec. notes 8 1/8s, 2019		1,065,000	1,136,888
Endo Health Solutions, Inc. company guaranty sr. unsec. notes 7s, 2019		895,000	955,413
Fresenius Medical Care US Finance II, Inc. 144A company guaranty sr. unsec. notes 5 5/8s, 2019		1,315,000	1,403,763
Grifols, Inc. company guaranty sr. unsec. notes 8 1/4s, 2018		1,505,000	1,664,906
HCA, Inc. company guaranty sr. notes 9 7/8s, 2017		335,000	356,356
HCA, Inc. company guaranty sr. notes 8 1/2s, 2019		2,865,000	3,215,963
HCA, Inc. sr. notes 6 1/2s, 2020		4,890,000	5,489,024
HCA, Inc. sr. unsec. notes 7 1/2s, 2022		410,000	465,863
Health Net, Inc. sr. unsec. bonds 6 3/8s, 2017		2,730,000	2,846,025
Hologic, Inc. 144A company guaranty sr. unsec. notes 6 1/4s, 2020		405,000	430,313
IASIS Healthcare, LLC/IASIS Capital Corp. company guaranty sr. unsec. notes 8 3/8s, 2019		3,165,000	2,990,925
IMS Health, Inc. 144A sr. unsec. notes 6s, 2020		795,000	820,838
Jaguar Holding Co. I 144A sr. unsec. notes 9 3/8s, 2017 ††		760,000	779,000
Jaguar Holding Co. II/Jaguar Merger Sub, Inc. 144A sr. unsec. notes 9 1/2s, 2019		1,675,000	1,884,375
Kinetics Concept/KCI USA 144A company guaranty notes 10 1/2s, 2018		3,310,000	3,442,399
Kinetics Concept/KCI USA 144A company guaranty sr. unsec. notes 12 1/2s, 2019		955,000	897,700
Multiplan, Inc. 144A company guaranty sr. notes 9 7/8s, 2018		1,515,000	1,677,863

Omega Healthcare Investors, Inc. company guaranty sr. unsec. notes 6 3/4s, 2022 ^R	975,000	1,073,719
Service Corporation International sr. notes 7s, 2019	660,000	722,700
Service Corporation International sr. notes 7s, 2017	205,000	235,750
Service Corporation International sr. unsec. unsub. notes 6 3/4s, 2016	2,005,000	2,230,563
Sky Growth Acquisition Corp. 144A company guaranty sr. unsec. notes 7 3/8s, 2020	2,635,000	2,598,769
Stewart Enterprises, Inc. company guaranty sr. unsec. notes 6 1/2s, 2019	1,125,000	1,209,375
Surgical Care Affiliates, Inc. 144A sr. sub. notes 10s, 2017	2,220,000	2,303,250
Surgical Care Affiliates, Inc. 144A sr. unsec. notes 8 7/8s, 2015	577,149	587,249
Teleflex, Inc. company guaranty sr. unsec. sub. notes 6 7/8s, 2019	1,135,000	1,222,963
Tenet Healthcare Corp. company guaranty sr. notes 10s, 2018	560,000	638,400
Tenet Healthcare Corp. company guaranty sr. notes 6 1/4s, 2018	2,070,000	2,276,999
Tenet Healthcare Corp. sr. notes 8 7/8s, 2019	775,000	868,000

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CORPORATE BONDS AND NOTES (87.4%)* cont.	Principal amount	Value
Health care cont.		
United Surgical Partners International, Inc. company guaranty sr. unsec. unsub. notes 9s, 2020	\$1,140,000	\$1,256,850
Valeant Pharmaceuticals International 144A company guaranty sr. notes 7s, 2020	250,000	271,875
Valeant Pharmaceuticals International 144A company guaranty sr. unsec. notes 6 7/8s, 2018	1,480,000	1,600,250
Valeant Pharmaceuticals International 144A company guaranty sr. unsec. notes 6 1/2s, 2016	1,185,000	1,250,175
Valeant Pharmaceuticals International 144A sr. notes 6 3/4s, 2017	580,000	627,850
Vanguard Health Systems, Inc. sr. unsec. notes zero %, 2016	59,000	41,890
VPI Escrow Corp. 144A sr. unsec. notes 6 3/8s, 2020 (Canada)	280,000	296,800
		70,192,881
Homebuilding (2.1%)		
Beazer Homes USA, Inc. company guaranty sr. unsec. notes 6 7/8s, 2015	1,325,000	1,326,656
Beazer Homes USA, Inc. company guaranty sr. unsec. unsub. notes 9 1/8s, 2018	190,000	196,175
Beazer Homes USA, Inc. sr. unsec. notes company guaranty 8 1/8s, 2016	1,025,000	1,081,375
Beazer Homes USA, Inc. 144A company guaranty sr. notes 6 5/8s, 2018	750,000	798,750
K Hovnanian Enterprises, Inc. 144A company guaranty notes 9 1/8s, 2020	465,000	491,738
K Hovnanian Enterprises, Inc. 144A sr. notes 7 1/4s, 2020	1,020,000	1,099,050
Lennar Corp. 144A company guaranty sr. notes 4 3/4s, 2017	460,000	476,100
Lennar Corp. 144A company guaranty sr. unsec. notes 4 3/4s, 2022	630,000	609,525
M/I Homes, Inc. company guaranty sr. unsec. notes 8 5/8s, 2018	2,850,000	3,085,124
Pulte Group, Inc. company guaranty sr. unsec. notes 7 5/8s, 2017	2,070,000	2,416,725
Pulte Group, Inc. company guaranty sr. unsec. unsub. notes 7 7/8s, 2032	995,000	1,064,650
Realogy Group, LLC company guaranty sr. unsec. sub. notes 12 3/8s, 2015	880,000	906,400
Realogy Group, LLC company guaranty sr. unsec. unsub. notes 11 1/2s, 2017	2,240,000	2,424,799
Realogy Group, LLC 144A company guaranty sr. notes 9s, 2020	350,000	388,500
Realogy Group, LLC 144A company guaranty sr. notes 7 7/8s, 2019	615,000	651,900
Realogy Group, LLC 144A company guaranty sr. notes 7 5/8s, 2020	525,000	585,375
Taylor Morrison Communities, Inc./Monarch Communities, Inc. 144A company guaranty sr. unsec. notes 7 3/4s, 2020	440,000	464,200
Taylor Morrison Communities, Inc./Monarch Communities, Inc. 144A sr. notes 7 3/4s, 2020	2,310,000	2,425,500
		20,492,542
Household furniture and appliances (0.1%)		
Sealy Mattress Co. 144A company guaranty sr. notes 10 7/8s, 2016	699,000	760,163
		760,163

High Yield Advantage Fund

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CORPORATE BONDS AND NOTES (87.4%)* cont.	Principal amount	Value
Lodging/Tourism (1.7%)		
Choice Hotels International, Inc. company guaranty sr. unsec. unsub. notes 5 3/4s, 2022	\$650,000	\$710,125
CityCenter Holdings LLC/CityCenter Finance Corp. company guaranty 10 3/4s, 2017 ††	2,691,418	2,900,003
CityCenter Holdings LLC/CityCenter Finance Corp. company guaranty sr. notes 7 5/8s, 2016	800,000	852,000
FelCor Lodging LP company guaranty sr. notes 10s, 2014 ^R	2,324,000	2,629,025
FelCor Lodging LP company guaranty sr. notes 6 3/4s, 2019 ^R	2,115,000	2,226,037

Host Hotels & Resorts LP company guaranty sr. unsec. unsub. notes 4 3/4s, 2023 R	445,000	471,700
MGM Resorts International company guaranty sr. notes 9s, 2020	140,000	155,750
MGM Resorts International company guaranty sr. unsec. notes 6 7/8s, 2016	535,000	560,413
MGM Resorts International company guaranty sr. unsec. notes 6 5/8s, 2015	1,985,000	2,114,025
MGM Resorts International company guaranty sr. unsec. unsub. notes 7 3/4s, 2022	915,000	960,750
MGM Resorts International 144A company guaranty sr. unsec. notes 8 5/8s, 2019	1,440,000	1,576,800
MGM Resorts International 144A company guaranty sr. unsec. notes 6 3/4s, 2020	1,110,000	1,118,325
SugarHouse HSP Gaming Prop. Mezz LP/SugarHouse HSP Gaming Finance Corp. 144A notes 8 5/8s, 2016	315,000	337,050
		16,612,003
Media (0.2%)		
Affinion Group Holdings, Inc. company guaranty sr. unsec. notes 11 5/8s, 2015	1,405,000	969,450
Nielsen Finance, LLC/Nielsen Finance Co. company guaranty sr. unsec. notes 7 3/4s, 2018 (Netherlands)	438,000	488,370
Nielsen Finance, LLC/Nielsen Finance Co. 144A sr. unsec. notes 4 1/2s, 2020 (Netherlands)	865,000	862,838
		2,320,658
Oil and gas (10.3%)		
Access Midstream Partners, LP/ACMP Finance Corp. company guaranty sr. unsec. notes 5 7/8s, 2021	580,000	606,100
Access Midstream Partners, LP/ACMP Finance Corp. company guaranty sr. unsec. unsub. notes 6 1/8s, 2022	500,000	530,000
AmeriGas Finance, LLC/AmeriGas Finance Corp. company guaranty sr. unsec. notes 7s, 2022	1,155,000	1,253,175
Anadarko Finance Co. company guaranty sr. unsec. unsub. notes Ser. B, 7 1/2s, 2031	230,000	307,364
Anadarko Petroleum Corp. sr. unsec. notes 6.2s, 2040	690,000	853,061
Atlas Pipeline Partners LP/Atlas Pipeline Finance Corp. 144A company guaranty sr. notes 6 5/8s, 2020	555,000	577,200
Atwood Oceanics, Inc. sr. unsec. unsub. notes 6 1/2s, 2020	1,020,000	1,088,850
Aurora USA Oil & Gas Inc., 144A sr. notes 9 7/8s, 2017	1,290,000	1,364,175
Carrizo Oil & Gas, Inc. company guaranty sr. unsec. notes 8 5/8s, 2018	3,179,000	3,377,688
Chaparral Energy, Inc. company guaranty sr. unsec. notes 9 7/8s, 2020	1,235,000	1,392,463

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CORPORATE BONDS AND NOTES (87.4%)* cont.	Principal amount	Value
Oil and gas cont.		
Chaparral Energy, Inc. company guaranty sr. unsec. notes 8 1/4s, 2021	\$1,700,000	\$1,827,500
Chesapeake Energy Corp. company guaranty 6 1/2s, 2017	220,000	231,550
Chesapeake Energy Corp. company guaranty sr. unsec. bonds 6 1/4s, 2017	EUR 485,000	665,661
Chesapeake Energy Corp. company guaranty sr. unsec. notes 9 1/2s, 2015	\$1,625,000	1,824,063
Chesapeake Energy Corp. company guaranty sr. unsec. unsub. notes 6.775s, 2019	335,000	335,838
Chesapeake Oilfield Operating, LLC/Chesapeake Oilfield Finance, Inc. 144A company guaranty sr. unsec. unsub. notes 6 5/8s, 2019	1,650,000	1,551,000
Comstock Resources, Inc. company guaranty sr. unsub. notes 8 3/8s, 2017	1,090,000	1,130,875
Concho Resources, Inc. company guaranty sr. unsec. notes 6 1/2s, 2022	1,570,000	1,719,150
Concho Resources, Inc. company guaranty sr. unsec. unsub. notes 5 1/2s, 2023	450,000	464,625
Concho Resources, Inc. company guaranty sr. unsec. unsub. notes 5 1/2s, 2022	1,280,000	1,321,600
Connacher Oil and Gas, Ltd. 144A notes 8 1/2s, 2019 (Canada)	1,410,000	1,046,925
Continental Resources, Inc. company guaranty sr. unsec. notes 5s, 2022	2,900,000	3,074,000
Crosstex Energy LP/Crosstex Energy Finance Corp. company guaranty sr. unsec. notes 8 7/8s, 2018	3,130,000	3,396,049
Crosstex Energy LP/Crosstex Energy Finance Corp. 144A company guaranty sr. unsec. notes 7 1/8s, 2022	555,000	566,100
Denbury Resources, Inc. company guaranty sr. sub. notes 9 3/4s, 2016	330,000	351,450
Denbury Resources, Inc. company guaranty sr. unsec. sub. notes 8 1/4s, 2020	1,240,000	1,401,200
Denbury Resources, Inc. company guaranty sr. unsec. sub. notes 6 3/8s, 2021	825,000	905,438
Encore Acquisition Co. company guaranty sr. sub. notes 9 1/2s, 2016	285,000	305,663
EXCO Resources, Inc. company guaranty sr. unsec. notes 7 1/2s, 2018	2,890,000	2,716,600
Ferrellgas LP/Ferrellgas Finance Corp. sr. unsec. notes 9 1/8s, 2017	1,370,000	1,472,749
Ferrellgas LP/Ferrellgas Finance Corp. sr. unsec. notes 6 1/2s, 2021	860,000	834,200

Forbes Energy Services Ltd. company guaranty sr. unsec. notes 9s, 2019	1,045,000	943,113
Goodrich Petroleum Corp. company guaranty sr. unsec. unsub. notes 8 7/8s, 2019	2,380,000	2,243,150
Gulfport Energy Corp. 144A company guaranty sr. unsec. notes 7 3/4s, 2020	1,045,000	1,034,550
Halcon Resources Corp. 144A sr. unsec. notes 8 7/8s, 2021	1,875,000	1,940,625
Hercules Offshore, Inc. 144A company guaranty sr. notes 7 1/8s, 2017	140,000	143,500

High Yield Advantage Fund 39

CORPORATE BONDS AND NOTES (87.4%)* cont.	Principal amount	Value
Oil and gas cont.		
Hercules Offshore, Inc. 144A sr. notes 10 1/2s, 2017	\$1,820,000	\$1,933,750
Kodiak Oil & Gas Corp. company guaranty sr. unsec. unsub. notes 8 1/8s, 2019	3,130,000	3,411,700
Laredo Petroleum, Inc. company guaranty sr. unsec. notes 7 3/8s, 2022	555,000	600,788
Laredo Petroleum, Inc. company guaranty sr. unsec. unsub. notes 9 1/2s, 2019	2,130,000	2,385,600
Lone Pine Resources Canada, Ltd. company guaranty sr. unsec. notes 10 3/8s, 2017 (Canada)	650,000	604,500
MEG Energy Corp. 144A company guaranty sr. unsec. notes 6 1/2s, 2021 (Canada)	2,150,000	2,244,063
MEG Energy Corp. 144A company guaranty sr. unsec. notes 6 3/8s, 2023 (Canada)	685,000	708,975
Milagro Oil & Gas, Inc. company guaranty notes 10 1/2s, 2016	1,980,000	1,485,000
Newfield Exploration Co. sr. unsec. notes 5 3/4s, 2022	1,350,000	1,464,750
Newfield Exploration Co. sr. unsec. sub. notes 7 1/8s, 2018	360,000	379,350
Newfield Exploration Co. sr. unsec. unsub. notes 5 5/8s, 2024	1,088,000	1,164,160
Northern Oil and Gas, Inc. company guaranty sr. unsec. notes 8s, 2020	1,390,000	1,431,700
Oasis Petroleum, Inc. company guaranty sr. unsec. notes 6 7/8s, 2023	930,000	985,800
PetroBakken Energy, Ltd. 144A sr. unsec. notes 8 5/8s, 2020 (Canada)	3,410,000	3,410,000
Plains Exploration & Production Co. company guaranty sr. unsec. notes 7 5/8s, 2018	300,000	318,000
Plains Exploration & Production Co. company guaranty sr. unsec. notes 6 3/4s, 2022	2,525,000	2,600,750
Quicksilver Resources, Inc. company guaranty sr. unsec. notes 8 1/4s, 2015	565,000	519,800
Quicksilver Resources, Inc. sr. notes 11 3/4s, 2016	1,265,000	1,255,513
Range Resources Corp. company guaranty sr. sub. notes 6 3/4s, 2020	640,000	700,800
Range Resources Corp. company guaranty sr. unsec. sub. notes 5s, 2022	640,000	667,200
Rosetta Resources, Inc. company guaranty sr. unsec. notes 9 1/2s, 2018	2,400,000	2,646,000
Sabine Pass LNG LP company guaranty sr. notes 7 1/2s, 2016	2,625,000	2,835,000
Sabine Pass LNG LP 144A sr. notes 6 1/2s, 2020	690,000	690,000
Samson Investment Co. 144A sr. unsec. notes 9 3/4s, 2020	3,415,000	3,611,363
SandRidge Energy, Inc. company guaranty sr. unsec. notes 9 7/8s, 2016	570,000	615,600
SandRidge Energy, Inc. company guaranty sr. unsec. unsub. notes 7 1/2s, 2021	40,000	41,700
SandRidge Energy, Inc. 144A company guaranty sr. unsec. unsub. notes 8s, 2018	3,285,000	3,473,887
Shelf Drilling Holdings Ltd. 144A sr. notes 8 5/8s, 2018	1,510,000	1,517,550
SM Energy Co. sr. unsec. notes 6 5/8s, 2019	715,000	756,113
SM Energy Co. sr. unsec. notes 6 1/2s, 2021	690,000	727,950
SM Energy Co. sr. unsec. unsub. notes 6 1/2s, 2023	280,000	294,000

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CORPORATE BONDS AND NOTES (87.4%)* cont.	Principal amount	Value
Oil and gas cont.		
Suburban Propane Partners LP/Suburban Energy Finance Corp. 144A sr. unsec. notes 7 3/8s, 2021	\$1,135,000	\$1,214,450
Unit Corp. company guaranty sr. sub. notes 6 5/8s, 2021	415,000	423,300
Unit Corp. 144A company guaranty sr. sub. notes 6 5/8s, 2021	1,430,000	1,455,025
Whiting Petroleum Corp. company guaranty 7s, 2014	1,245,000	1,316,588
Williams Cos., Inc. (The) notes 7 3/4s, 2031	1,113,000	1,403,174
Williams Cos., Inc. (The) sr. unsec. notes 7 7/8s, 2021	335,000	432,610
WPX Energy, Inc. sr. unsec. unsub. notes 6s, 2022	555,000	593,850
WPX Energy, Inc. sr. unsec. unsub. notes 5 1/4s, 2017	2,070,000	2,189,025
		99,306,634
Publishing (0.2%)		
Cenveo Corp. company guaranty sr. notes 8 7/8s, 2018	1,820,000	1,656,200
		1,656,200
Regional Bells (0.8%)		
Cincinnati Bell, Inc. company guaranty sr. unsec. sub. notes 8 3/4s, 2018	1,250,000	1,257,813
Cincinnati Bell, Inc. company guaranty sr. unsec.		

sub. notes 8 1/4s, 2017	655,000	699,213
Frontier Communications Corp. sr. unsec. notes 9 1/4s, 2021	535,000	624,613
Frontier Communications Corp. sr. unsec. notes 8 1/2s, 2020	2,295,000	2,622,037
Frontier Communications Corp. sr. unsec. notes 8 1/4s, 2017	905,000	1,040,750
Frontier Communications Corp. sr. unsec. notes 8 1/8s, 2018	1,160,000	1,322,400
		7,566,826

Retail (3.0%)

Academy, Ltd./Academy Finance Corp. 144A company guaranty sr. unsec. notes 9 1/4s, 2019	995,000	1,094,500
Autonation, Inc. company guaranty sr. unsec. notes 6 3/4s, 2018	505,000	571,281
Autonation, Inc. company guaranty sr. unsec. unsub. notes 5 1/2s, 2020	450,000	480,375
Bon-Ton Department Stores, Inc. (The) 144A company guaranty sr. notes 10 5/8s, 2017	2,205,000	2,116,800
Burlington Coat Factory Warehouse Corp. company guaranty sr. unsec. notes 10s, 2019	1,475,000	1,615,125
J Crew Group, Inc. company guaranty sr. unsec. notes 8 1/8s, 2019	1,800,000	1,890,000
Jo-Ann Stores Holdings, Inc. 144A sr. notes 9 3/4s, 2019 ††	920,000	899,300
Limited Brands, Inc. company guaranty sr. unsec. notes 6 5/8s, 2021	1,300,000	1,488,499
Limited Brands, Inc. sr. notes 5 5/8s, 2022	685,000	739,800
Macy's Retail Holdings, Inc. company guaranty sr. unsec. notes 5.9s, 2016	1,455,000	1,711,594
Macy's Retail Holdings, Inc. company guaranty sr. unsec. unsub. notes 7 7/8s, 2015	545,000	638,507
Michaels Stores, Inc. company guaranty 11 3/8s, 2016	2,205,000	2,306,981
Needle Merger Sub Corp. 144A sr. unsec. notes 8 1/8s, 2019	1,890,000	1,899,450
Neiman-Marcus Group, Inc. company guaranty sr. unsec. sub. notes 10 3/8s, 2015	345,000	352,766
Penske Automotive Group, Inc. 144A company guaranty sr. sub. notes 5 3/4s, 2022	1,350,000	1,373,625

High Yield Advantage Fund

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CORPORATE BONDS AND NOTES (87.4%)* cont.

	Principal amount	Value
Retail cont.		
PETCO Animal Supplies, Inc. 144A company guaranty sr. notes 9 1/4s, 2018	\$870,000	\$965,700
PETCO Holdings, Inc. 144A sr. unsec. notes 8 1/2s, 2017 ††	925,000	943,500
QVC Inc. 144A sr. notes 7 1/2s, 2019	1,280,000	1,409,718
QVC Inc. 144A sr. notes 7 3/8s, 2020	885,000	981,107
Toys R Us Property Co., LLC company guaranty sr. notes 8 1/2s, 2017	1,420,000	1,515,850
Toys R Us Property Co., LLC company guaranty sr. unsec. notes 10 3/4s, 2017	2,040,000	2,223,600
YCC Holdings, LLC/Yankee Finance, Inc. sr. unsec. notes 10 1/4s, 2016 ††	1,590,000	1,645,650
		28,863,728
Technology (3.9%)		
Advanced Micro Devices, Inc. sr. unsec. notes 7 3/4s, 2020	315,000	270,506
Alcatel-Lucent USA, Inc. unsec. debs. 6.45s, 2029	1,670,000	1,102,200
Avaya, Inc. company guaranty sr. unsec. notes 9 3/4s, 2015	695,000	550,788
Avaya, Inc. 144A company guaranty sr. notes 7s, 2019	2,075,000	1,862,313
Ceridian Corp. company guaranty sr. unsec. notes 12 1/4s, 2015 ††	2,016,350	1,976,023
Ceridian Corp. sr. unsec. notes 11 1/4s, 2015	1,260,000	1,228,500
Ceridian Corp. 144A sr. notes 8 7/8s, 2019	935,000	1,000,450
CyrusOne LP/CyrusOne Finance Corp. 144A company guaranty sr. unsec. unsub. notes 6 3/8s, 2022	385,000	398,475
Epicor Software Corp. company guaranty sr. unsec. notes 8 5/8s, 2019	1,565,000	1,631,513
Fidelity National Information Services, Inc. company guaranty sr. unsec. notes 7 7/8s, 2020	880,000	990,000
Fidelity National Information Services, Inc. company guaranty sr. unsec. notes 7 5/8s, 2017	590,000	643,100
First Data Corp. company guaranty sr. unsec. notes 12 5/8s, 2021	2,625,000	2,762,813
First Data Corp. company guaranty sr. unsec. notes 10.55s, 2015	968,138	994,762
First Data Corp. company guaranty sr. unsec. sub. notes 11 1/4s, 2016	955,000	943,063
First Data Corp. 144A company guaranty notes 8 1/4s, 2021	3,070,000	3,062,324
First Data Corp. 144A company guaranty sr. notes 7 3/8s, 2019	1,790,000	1,839,225
Freescale Semiconductor, Inc. company guaranty sr. unsec. notes 10 3/4s, 2020	1,409,000	1,477,689
Freescale Semiconductor, Inc. 144A company guaranty sr. notes 10 1/8s, 2018	654,000	712,860
Freescale Semiconductor, Inc. 144A company guaranty sr. notes 9 1/4s, 2018	2,692,000	2,897,265
Infor US, Inc. company guaranty sr. unsec. notes 9 3/8s, 2019	870,000	970,050
Infor US, Inc. company guaranty sr. unsec. unsub. notes 11 1/2s, 2018	1,160,000	1,345,600
Iron Mountain, Inc. company guaranty sr. sub. notes 7 3/4s, 2019	630,000	707,175
Iron Mountain, Inc. company guaranty sr. unsec. sub. notes 8s, 2020	75,000	79,125
Iron Mountain, Inc. sr. sub. notes 8 3/8s, 2021	540,000	596,700
Jazz Technologies, Inc. company guaranty sr. unsec. notes 8s, 2015	899,000	746,170

CORPORATE BONDS AND NOTES (87.4%)* cont.	Principal amount	Value
Technology cont.		
NXP BV/NXP Funding, LLC 144A company guaranty sr. notes 9 3/4s, 2018 (Netherlands)	\$1,265,000	\$1,464,238
Seagate HDD Cayman company guaranty sr. unsec. unsub. notes 7 3/4s, 2018 (Cayman Islands)	865,000	940,688
SunGard Data Systems, Inc. 144A company guaranty sr. sub. notes 6 5/8s, 2019	1,040,000	1,060,800
SunGard Data Systems, Inc. 144A sr. unsec. notes 7 5/8s, 2020	1,415,000	1,549,425
Syniverse Holdings, Inc. company guaranty sr. unsec. notes 9 1/8s, 2019	1,930,000	2,060,275
		37,864,115
Telecommunications (7.2%)		
Clearwire Communications, LLC/Clearwire Finance, Inc. 144A company guaranty sr. notes 12s, 2017	710,000	781,000
Clearwire Communications, LLC/Clearwire Finance, Inc. 144A company guaranty sr. notes 12s, 2015	1,205,000	1,271,275
Clearwire Communications, LLC/Clearwire Finance, Inc. 144A company guaranty sr. notes 12s, 2015	525,000	551,250
Crown Castle International Corp. sr. unsec. notes 7 1/8s, 2019	570,000	628,425
Crown Castle International Corp. 144A sr. unsec. notes 5 1/4s, 2023	1,225,000	1,280,125
Digicel Group, Ltd. 144A sr. notes 10 1/2s, 2018 (Jamaica)	925,000	1,017,500
Digicel Group, Ltd. 144A sr. unsec. notes 8 1/4s, 2020 (Jamaica)	1,995,000	2,119,688
Digicel, Ltd. 144A sr. unsec. notes 8 1/4s, 2017 (Jamaica)	1,195,000	1,281,638
Equinix, Inc. sr. unsec. notes 7s, 2021	940,000	1,035,175
Hughes Satellite Systems Corp. company guaranty sr. notes 6 1/2s, 2019	1,750,000	1,881,250
Hughes Satellite Systems Corp. company guaranty sr. unsec. notes 7 5/8s, 2021	2,005,000	2,235,575
Intelsat Jackson Holdings SA company guaranty sr. unsec. notes 7 1/2s, 2021 (Bermuda)	1,170,000	1,251,900
Intelsat Jackson Holdings SA 144A company guaranty sr. unsec. notes 7 1/4s, 2020 (Bermuda)	1,150,000	1,224,750
Intelsat Jackson Holdings SA 144A sr. unsec. notes 6 5/8s, 2022 (Bermuda)	740,000	740,000
Intelsat Luxembourg SA company guaranty sr. unsec. notes 11 1/2s, 2017 (Luxembourg) ††	6,971,093	7,398,072
Intelsat Luxembourg SA company guaranty sr. unsec. notes 11 1/4s, 2017 (Luxembourg)	3,165,000	3,354,900
Level 3 Financing, Inc. company guaranty sr. unsec. unsub. notes 9 3/8s, 2019	1,035,000	1,156,613
Level 3 Financing, Inc. company guaranty sr. unsec. unsub. notes 8 5/8s, 2020	1,210,000	1,315,875
Level 3 Financing, Inc. company guaranty sr. unsec. unsub. notes 8 1/8s, 2019	270,000	288,900
Level 3 Financing, Inc. 144A company guaranty sr. unsec. unsub. notes 7s, 2020	835,000	849,613
MetroPCS Wireless, Inc. company guaranty sr. unsec. notes 7 7/8s, 2018	2,325,000	2,511,000
NII Capital Corp. company guaranty sr. unsec. unsub. notes 10s, 2016	685,000	582,250

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CORPORATE BONDS AND NOTES (87.4%)* cont.	Principal amount	Value
Telecommunications cont.		
NII Capital Corp. company guaranty sr. unsec. unsub. notes 8 7/8s, 2019	\$835,000	\$597,025
NII Capital Corp. company guaranty sr. unsec. unsub. notes 7 5/8s, 2021	2,450,000	1,702,750
PAETEC Holding Corp. company guaranty sr. notes 8 7/8s, 2017	915,000	985,913
PAETEC Holding Corp. company guaranty sr. unsec. notes 9 7/8s, 2018	2,320,000	2,615,800
Qwest Corp. sr. unsec. notes 6 3/4s, 2021	1,735,000	2,031,154
Qwest Corp. sr. unsec. unsub. notes 7 1/4s, 2025	1,135,000	1,337,737
SBA Telecommunications, Inc. company guaranty sr. unsec. notes 8 1/4s, 2019	800,000	898,000
SBA Telecommunications, Inc. 144A company guaranty sr. unsec. unsub. notes 5 3/4s, 2020	465,000	485,925
Sprint Capital Corp. company guaranty 6 7/8s, 2028	3,615,000	3,723,450
Sprint Nextel Corp. sr. notes 8 3/8s, 2017	2,065,000	2,395,400
Sprint Nextel Corp. sr. unsec. notes 6s, 2016	3,125,000	3,390,625
Sprint Nextel Corp. sr. unsec. unsub. notes 9 1/8s, 2017	1,315,000	1,545,125
Sprint Nextel Corp. sr. unsec. unsub. notes 7s, 2020	1,035,000	1,120,388
Sprint Nextel Corp. 144A company guaranty sr. unsec. notes 9s, 2018	3,275,000	4,028,250
Wind Acquisition Finance SA company guaranty sr. notes Ser. REGS, 7 3/8s, 2018 (Luxembourg)	EUR 795,000	1,018,315
Wind Acquisition Finance SA 144A company guaranty sr. notes 7 1/4s, 2018 (Luxembourg)	\$1,415,000	1,400,850
Wind Acquisition Finance SA 144A sr. notes 11 3/4s, 2017 (Luxembourg)	550,000	562,375
Wind Acquisition Holdings Finance SA 144A company		

guaranty sr. notes 12 1/4s, 2017 (Luxembourg) ††	588,687	581,328
Windstream Corp. company guaranty sr. unsec. unsub. notes 8 1/8s, 2018	505,000	547,925
Windstream Corp. company guaranty sr. unsec. unsub. notes 7 7/8s, 2017	2,290,000	2,536,174
Windstream Corp. company guaranty sr. unsec. unsub. notes 7 3/4s, 2021	925,000	975,875
		69,237,158
Telephone (0.5%)		
Cricket Communications, Inc. company guaranty sr. unsec. notes 7 3/4s, 2020	2,575,000	2,658,688
Cricket Communications, Inc. company guaranty sr. unsub. notes 7 3/4s, 2016	1,460,000	1,543,950
TW Telecom Holdings, Inc. 144A company guaranty sr. unsec. notes 5 3/8s, 2022	460,000	476,100
		4,678,738
Textiles (0.2%)		
Hanesbrands, Inc. company guaranty sr. unsec. notes 6 3/8s, 2020	1,110,000	1,219,613
Hanesbrands, Inc. sr. unsec. notes 8s, 2016	980,000	1,087,810
		2,307,423

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CORPORATE BONDS AND NOTES (87.4%)* cont.	Principal amount	Value
Transportation (1.2%)		
Aguila 3 SA 144A company guaranty sr. notes 7 7/8s, 2018 (Luxembourg)	\$3,445,000	\$3,651,699
Air Medical Group Holdings, Inc. company guaranty sr. notes 9 1/4s, 2018	2,265,000	2,440,538
CHC Helicopter SA company guaranty sr. notes 9 1/4s, 2020 (Canada)	2,450,000	2,486,750
Swift Services Holdings, Inc. company guaranty sr. notes 10s, 2018	2,475,000	2,722,500
Western Express, Inc. 144A sr. notes 12 1/2s, 2015	420,000	256,200
		11,557,687
Utilities and power (4.4%)		
AES Corp. (The) sr. unsec. notes 8s, 2020	520,000	600,600
AES Corp. (The) sr. unsec. unsub. notes 8s, 2017	1,855,000	2,128,612
AES Corp. (The) sr. unsec. unsub. notes 7 3/8s, 2021	1,977,000	2,189,527
Calpine Corp. 144A company guaranty sr. notes 7 7/8s, 2020	1,296,000	1,438,560
Calpine Corp. 144A sr. notes 7 1/4s, 2017	2,436,000	2,606,520
Colorado Interstate Gas Co., LLC debs. 6.85s, 2037 (Canada)	1,430,000	1,768,694
DPL, Inc. sr. unsec. notes 6 1/2s, 2016	2,090,000	2,199,725
Edison Mission Energy sr. unsec. notes 7 3/4s, 2016 (In default) †	755,000	381,275
Edison Mission Energy sr. unsec. notes 7 1/2s, 2013 (In default) †	1,105,000	558,025
Edison Mission Energy sr. unsec. notes 7.2s, 2019 (In default) †	1,035,000	521,381
Edison Mission Energy sr. unsec. notes 7s, 2017 (In default) †	45,000	22,613
EI Paso Corp. sr. unsec. notes 7s, 2017	1,160,000	1,325,859
EI Paso Corp. sr. unsec. notes Ser. GMTN, 7.8s, 2031	705,000	812,160
EI Paso Natural Gas Co. debs. 8 5/8s, 2022	765,000	1,050,103
Energy Future Holdings Corp. company guaranty sr. notes 10s, 2020	560,000	595,000
Energy Future Intermediate Holding Co., LLC/EFIH Finance, Inc. sr. notes 10s, 2020	1,870,000	2,085,049
Energy Future Intermediate Holding Co., LLC/EFIH Finance, Inc. 144A notes 11 3/4s, 2022	740,000	752,950
Energy Transfer Equity LP company guaranty sr. unsec. notes 7 1/2s, 2020	1,995,000	2,264,325
EP Energy LLC /Everest Acquisition Finance, Inc. company guaranty sr. notes 6 7/8s, 2019	625,000	676,563
EP Energy/EP Finance, Inc. sr. unsec. notes 9 3/8s, 2020	2,985,000	3,305,887
EP Energy, LLC/Everest Acquisition Finance, Inc. company guaranty sr. unsec. notes 7 3/4s, 2022	430,000	446,125
GenOn Americas Generation, Inc. sr. unsec. notes 9 1/8s, 2031	705,000	743,775
GenOn Energy, Inc. sr. unsec. notes 9 7/8s, 2020	2,330,000	2,638,725
GenOn Energy, Inc. sr. unsec. notes 9 1/2s, 2018	380,000	439,850
Ipalco Enterprises, Inc. 144A sr. notes 7 1/4s, 2016	230,000	254,725
NGPL PipeCo, LLC 144A sr. notes 9 5/8s, 2019	655,000	749,975
NRG Energy, Inc. company guaranty sr. unsec. notes 7 7/8s, 2021	4,195,000	4,635,474

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CORPORATE BONDS AND NOTES (87.4%)* cont.	Principal amount	Value
Utilities and power cont.		
NRG Energy, Inc. company guaranty sr. unsec. notes 7 5/8s, 2018	\$260,000	\$287,300
NRG Energy, Inc. 144A company guaranty sr. unsec. notes 6 5/8s, 2023	450,000	470,250
NV Energy, Inc. sr. unsec. notes 6 1/4s, 2020	935,000	1,083,429
PNM Resources, Inc. unsec. unsub. notes 9 1/4s, 2015	166,000	190,070
Regency Energy Partners company guaranty sr. unsec. unsub. notes 5 1/2s, 2023	1,110,000	1,165,500

Tennessee Gas Pipeline Co., LLC sr. unsec. unsub. debts, 7s, 2028	305,000	423,130
Texas Competitive/Texas Competitive Electric Holdings Co., LLC company guaranty notes 15s, 2021	1,660,000	466,875
Texas Competitive/Texas Competitive Electric Holdings Co., LLC company guaranty sr. unsec. notes 10 1/2s, 2016 ‡	2,964,817	459,547
Texas Competitive/Texas Competitive Electric Holdings Co., LLC 144A company guaranty sr. notes 11 1/2s, 2020	745,000	551,300
		42,289,478

Total corporate bonds and notes (cost \$806,415,756) \$844,632,737

SENIOR LOANS (5.7%)*^c

	Principal amount	Value
Broadcasting (0.5%)		
Clear Channel Communications, Inc. bank term loan FRN Ser. A, 3.612s, 2014	\$545,563	\$531,469
Clear Channel Communications, Inc. bank term loan FRN Ser. B, 3.862s, 2016	2,519,084	2,037,309
Cumulus Media Holdings, Inc. bank term loan FRN 7 1/2s, 2019	1,000,000	1,017,500
Univision Communications, Inc. bank term loan FRN 4.462s, 2017	915,599	892,709
		4,478,987
Capital goods (0.3%)		
SRAM Corp. bank term loan FRN 8 1/2s, 2018	1,565,000	1,580,649
Tomkins Air Distribution bank term loan FRN 9 1/4s, 2020	550,000	558,938
Tomkins Air Distribution bank term loan FRN 5 1/4s, 2018	655,000	656,364
		2,795,951
Commercial and consumer services (0.2%)		
Travelport, LLC bank term loan FRN 11s, 2015	835,000	850,655
Travelport, LLC bank term loan FRN Ser. B, 4.855s, 2015	661,585	625,749
Travelport, LLC bank term loan FRN Ser. S, 4.862s, 2015	208,415	197,126
		1,673,530
Communication services (0.4%)		
Asurion Corp. bank term loan FRN 11s, 2019	1,255,000	1,327,163
Asurion, LLC bank term loan FRN 9s, 2019	267,516	275,319
Wide Open West Finance, LLC bank term loan FRN 6 1/4s, 2018	2,603,475	2,628,918
		4,231,400
Consumer cyclicals (1.1%)		
Academy, Ltd. bank term loan FRN Ser. B, 4 3/4s, 2018	345,000	345,949
Aot Bedding Super Holdings, LLC bank term loan FRN 5s, 2019	885,000	884,004
Chrysler Group, LLC bank term loan FRN Ser. B, 6s, 2017	74,248	75,883
Compucom Systems, Inc. bank term loan FRN 6 1/2s, 2018	1,045,000	1,046,958
Golden Nugget, Inc. bank term loan FRN Ser. B, 3.27s, 2014 ‡	747,021	715,895
Golden Nugget, Inc. bank term loan FRN Ser. DD, 3.27s, 2014 ‡	425,217	407,500
Harrah's bank term loan FRN Ser. B, 9 1/2s, 2016	481,388	489,992

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SENIOR LOANS (5.7%)*^c cont.

	Principal amount	Value
Consumer cyclicals cont.		
Motor City bank term loan FRN 6s, 2017	\$1,989,988	\$1,991,232
Navistar, Inc. bank term loan FRN Ser. B, 7s, 2017	995,000	997,073
Neiman Marcus Group, Inc. (The) bank term loan FRN 4 3/4s, 2018	1,130,000	1,130,418
Neiman Marcus Group, Inc. (The) bank term loan FRN 4 3/4s, 2018	995,000	995,368
Tempur-Pedic International, Inc. bank term loan FRN Ser. B, 5s, 2019	1,130,000	1,133,885
Thomson Learning bank term loan FRN Ser. B, 2.72s, 2014	651,592	490,975
		10,705,132
Consumer staples (0.4%)		
Del Monte Corp. bank term loan FRN Ser. B, 4 1/2s, 2018	469,792	469,596
Landry's, Inc. bank term loan FRN Ser. B, 6 1/2s, 2017	1,885,525	1,902,495
Revlon Consumer Products Corp. bank term loan FRN 4 3/4s, 2017	1,703,438	1,709,579
Rite Aid Corp. bank term loan FRN Ser. B, 1.963s, 2014	112,832	111,647
		4,193,317
Energy (0.1%)		
Frac Tech International, LLC bank term loan FRN Ser. B, 8 1/2s, 2016	1,166,317	994,286
		994,286
Financials (0.6%)		
iStar Financial, Inc. bank term loan FRN 5 3/4s, 2017	1,170,454	1,170,089
iStar Financial, Inc. bank term loan FRN Ser. A2, 7s, 2017	365,000	377,775
Nuveen Investments, Inc. bank term loan FRN 8 1/4s, 2019	2,365,000	2,400,474
Nuveen Investments, Inc. bank term loan FRN Ser. B, 5.846s, 2017	423,476	423,740
Springleaf Financial Funding Co. bank term loan FRN Ser. B, 5 1/2s, 2017	1,165,000	1,148,739
		5,520,817
Gaming and lottery (0.4%)		
Caesars Entertainment Operating Co., Inc. bank term loan FRN Ser. B6, 5.458s, 2018	4,381,000	3,909,434
		3,909,434
Health care (0.8%)		
Ardent Health Services bank term loan FRN Ser. B, 6 1/2s, 2015	1,737,514	1,736,428
Ardent Medical Services, Inc. bank term loan FRN 6 3/4s, 2018	1,230,000	1,239,225
Emergency Medical Services Corp. bank term loan FRN Ser. B,		

5 1/4s, 2018	1,369,857	1,383,127
Kinetic Concepts, Inc. bank term loan FRN Ser. C1, 5 1/2s, 2018	440,000	442,888
Par Pharmaceutical Cos., Inc. bank term loan FRN Ser. B, 5s, 2019	935,000	932,429
Pharmaceutical Product Development, Inc. bank term loan FRN Ser. B, 6 1/4s, 2018	1,126,488	1,143,151
Quintiles Transnational Holdings, Inc. bank term loan FRN 7 1/2s, 2017	500,000	503,750
		7,380,998
Oil and gas (0.1%)		
Plains Exploration & Production Co. bank term loan FRN Class B, 4s, 2019	1,490,000	1,495,588
		1,495,588

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SENIOR LOANS (5.7%)*^C cont.	Principal amount	Value
Retail (—%)		
Burlington Coat Factory Warehouse Corp. bank term loan FRN Ser. B1, 5 1/2s, 2017	\$229,118	\$230,631
		230,631
Technology (0.2%)		
First Data Corp. bank term loan FRN 5.208s, 2017	655,000	638,625
Lawson Software bank term loan FRN Class B2, 5 1/4s, 2018	1,122,188	1,130,369
		1,768,994
Telecommunications (0.1%)		
Level 3 Financing, Inc. bank term loan FRN 5 1/4s, 2019	1,085,000	1,090,424
		1,090,424
Telephone (0.1%)		
Cricket Communications, Inc. bank term loan FRN Ser. B, 4 3/4s, 2019	535,000	537,341
		537,341
Utilities and power (0.4%)		
Dynegy Power, LLC bank term loan FRN 9 1/4s, 2016	423,314	439,717
Texas Competitive Electric Holdings Co., LLC bank term loan FRN 4.743s, 2017	5,958,299	3,857,998
		4,297,715
Total senior loans (cost \$56,858,083)		\$55,304,545

CONVERTIBLE BONDS AND NOTES (0.9%)*	Principal amount	Value
Altra Holdings, Inc. cv. company guaranty sr. unsec. notes 2 3/4s, 2031	\$1,058,000	\$1,098,998
DFC Global Corp. 144A cv. sr. unsec. unsub. notes 3 1/4s, 2017	860,000	918,652
Exide Technologies cv. sr. sub. notes FRN zero %, 2013	1,386,000	1,261,260
Ford Motor Co. cv. sr. unsec. notes 4 1/4s, 2016	700,000	1,036,910
Navistar International Corp. cv. sr. unsec. sub. notes 3s, 2014	1,538,000	1,407,269
Steel Dynamics, Inc. cv. sr. notes 5 1/8s, 2014	373,000	396,546
TRW Automotive, Inc. cv. company guaranty sr. unsec. notes 3 1/2s, 2015	550,000	1,008,219
XM Satellite Radio, Inc. 144A cv. company guaranty sr. unsec. sub. notes 7s, 2014	889,000	1,460,738
Total convertible bonds and notes (cost \$7,299,823)		\$8,588,592

ASSET-BACKED SECURITIES (0.1%)*	Principal amount	Value
Neon Capital, Ltd. 144A limited recourse notes Ser. 97, 1.105s, 2013 (Cayman Islands) ^F	\$6,684,836	\$756,596
Total asset-backed securities (cost \$—)		\$756,596

SHORT-TERM INVESTMENTS (4.2%)*	Principal amount/shares	Value
Putnam Money Market Liquidity Fund 0.16% ^L	40,591,647	\$40,591,647
U.S. Treasury Bills with an effective yield of 0.156%, July 25, 2013	\$372,000	371,668
Total short-term investments (cost \$40,963,263)		\$40,963,315

TOTAL INVESTMENTS		
Total investments (cost \$911,536,925)		\$950,245,785

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Key to holding's currency abbreviations

CAD Canadian Dollar
EUR Euro

Key to holding's abbreviations

FRB Floating Rate Bonds: the rate shown is the current interest rate at the close of the reporting period
FRN Floating Rate Notes: the rate shown is the current interest rate at the close of the reporting period
GMTN Global Medium Term Notes
MTN Medium Term Notes

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 December 1, 2011 through November 30, 2012 (the reporting period). Within the following notes to the portfolio, references to "ASC 820" represent Accounting Standards Codification ASC 820 *Fair Value Measurements and Disclosures*.

* Percentages indicated are based on net assets of \$966,211,080.

† Non-income-producing security.

‡ Income may be received in cash or additional securities at the discretion of the issuer.

^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 (Notes 1 and 7).

^f Is valued at fair value following procedures approved by the Trustees. Securities may be classified as Level 2 or Level 3 for ASC 820 based on the securities' valuation inputs. At the close of the reporting period, fair value pricing was also used for certain foreign securities in the portfolio (Note 1).

^L Affiliated company (Note 6). The rate quoted in the security description is the annualized 7-day yield of the fund at the close of the reporting period.

^R Real Estate Investment Trust.

At the close of the reporting period, the fund maintained liquid assets totaling \$21,321 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 dates shown on debt obligations are the original maturity dates.

FORWARD CURRENCY CONTRACTS at 11/30/12 (aggregate face value \$17,219,242)

Counterparty	Currency	Contract type	Delivery date	Value	Aggregate face value	Unrealized appreciation/ (depreciation)
Bank of America N.A.						
	Canadian Dollar	Sell	12/20/12	\$503,176	\$500,526	\$(2,650)
	Euro	Sell	12/20/12	3,776,158	3,768,730	(7,428)
Barclays Bank PLC						
	Euro	Sell	12/20/12	1,439,831	1,437,155	(2,676)
Credit Suisse AG						
	Euro	Sell	12/20/12	1,347,476	1,344,671	(2,805)
Deutsche Bank AG						
	Euro	Sell	12/20/12	229,197	228,796	(401)
Goldman Sachs International						
	Euro	Sell	12/20/12	1,577,974	1,574,774	(3,200)

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FORWARD CURRENCY CONTRACTS at 11/30/12 (aggregate face value \$17,219,242) cont.

Counterparty	Currency	Contract type	Delivery date	Value	Aggregate face value	Unrealized appreciation/ (depreciation)
JPMorgan Chase Bank N.A.						
	Canadian Dollar	Sell	12/20/12	\$530,850	\$528,568	\$(2,282)
	Euro	Sell	12/20/12	1,668,768	1,665,243	(3,525)
State Street Bank and Trust Co.						
	Canadian Dollar	Sell	12/20/12	2,224,034	2,214,229	(9,805)
	Euro	Sell	12/20/12	2,544,191	2,538,621	(5,570)
UBS AG						
	Euro	Sell	12/20/12	1,171,741	1,169,306	(2,435)
WestPac Banking Corp.						
	Canadian Dollar	Sell	12/20/12	249,675	248,623	(1,052)
Total						\$(43,829)

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:			
Asset-backed securities	\$—	\$—	\$756,596
Convertible bonds and notes	—	8,588,592	—
Corporate bonds and notes	—	844,632,737	—
Senior loans	—	55,304,545	—
Short-term investments	40,591,647	371,668	—
Totals by level	\$40,591,647	\$908,897,542	\$756,596
		Valuation inputs	
Other financial instruments:	Level 1	Level 2	Level 3
Forward currency contracts	\$—	\$(43,829)	\$—
Totals by level	\$—	\$(43,829)	\$—

At the start and close of the reporting period, Level 3 investments in securities were not considered a significant portion of the fund's portfolio.

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

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Statement of assets and liabilities 11/30/12

ASSETS

Investment in securities, at value (Note 1):	
Unaffiliated issuers (identified cost \$870,945,278)	\$909,654,138
Affiliated issuers (identified cost \$40,591,647) (Notes 1 and 6)	40,591,647
Cash	1,073,443
Interest and other receivables	17,356,712
Receivable for shares of the fund sold	1,388,443
Receivable for investments sold	6,261,331
Total assets	976,325,714

LIABILITIES

Payable for investments purchased	6,919,310
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Payable for shares of the fund repurchased	1,556,107
Payable for compensation of Manager (Note 2)	453,790
Payable for custodian fees (Note 2)	9,532
Payable for investor servicing fees (Note 2)	254,827
Payable for Trustee compensation and expenses (Note 2)	254,121
Payable for administrative services (Note 2)	1,913
Unrealized depreciation on forward currency contracts (Note 1)	43,829
Payable for distribution fees (Note 2)	378,877
Other accrued expenses	242,328
Total liabilities	10,114,634

Net assets **\$966,211,080**

REPRESENTED BY

Paid-in capital (Unlimited shares authorized) (Notes 1 and 4)	\$1,010,432,205
Undistributed net investment income (Note 1)	6,418,575
Accumulated net realized loss on investments and foreign currency transactions (Note 1)	(89,311,538)
Net unrealized appreciation of investments and assets and liabilities in foreign currencies	38,671,838
Total — Representing net assets applicable to capital shares outstanding	\$966,211,080

COMPUTATION OF NET ASSET VALUE AND OFFERING PRICE

Net asset value and redemption price per class A share	
(\$652,557,130 divided by 106,688,333 shares)	\$6.12
Offering price per class A share (100/96.00 of \$6.12)*	\$6.38
Net asset value and offering price per class B share (\$15,256,984 divided by 2,546,347 shares)**	\$5.99
Net asset value and offering price per class C share (\$29,271,041 divided by 4,899,755 shares)**	\$5.97
Net asset value and redemption price per class M share	
(\$123,202,635 divided by 20,154,087 shares)	\$6.11
Offering price per class M share (100/96.75 of \$6.11)†	\$6.32
Net asset value, offering price and redemption price per class R share	
(\$26,120,461 divided by 4,273,263 shares)	\$6.11
Net asset value, offering price and redemption price per class Y share	
(\$119,802,829 divided by 18,909,508 shares)	\$6.34

* On single retail sales of less than \$100,000. On sales of \$100,000 or more the offering price is reduced.

** Redemption price per share is equal to net asset value less any applicable contingent deferred sales charge.

† On single retail sales of less than \$50,000. On sales of \$50,000 or more the offering price is reduced.

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

High Yield Advantage Fund

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Statement of operations Year ended 11/30/12

INVESTMENT INCOME

Interest (net of foreign tax of \$12,853) (including interest income of \$45,321 from investments in affiliated issuers) (Note 6)	\$70,417,150
Total investment income	70,417,150

EXPENSES

Compensation of Manager (Note 2)	5,206,491
Investor servicing fees (Note 2)	1,418,455
Custodian fees (Note 2)	27,319
Trustee compensation and expenses (Note 2)	83,481
Distribution fees (Note 2)	2,591,252
Administrative services (Note 2)	25,902
Other	391,313
Total expenses	9,744,213

Expense reduction (Note 2)	(1,947)
Net expenses	9,742,266

Net investment income	60,674,884
Net realized gain on investments (Notes 1 and 3)	6,759,369
Net realized gain on swap contracts (Note 1)	37,325
Net realized gain on foreign currency transactions (Note 1)	537,458
Net unrealized depreciation of assets and liabilities in foreign currencies during the year	(279,639)
Net unrealized appreciation of investments and swap contracts during the year	66,045,480
Net gain on investments	73,099,993
Net increase in net assets resulting from operations	\$133,774,877

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

52 High Yield Advantage Fund

Statement of changes in net assets

INCREASE IN NET ASSETS	Year ended 11/30/12	Year ended 11/30/11
Operations:		
Net investment income	\$60,674,884	\$59,094,138
Net realized gain on investments and foreign currency transactions	7,334,152	15,702,725
Net unrealized appreciation (depreciation) of investments and assets and liabilities in foreign currencies	65,765,841	(53,516,160)
Net increase in net assets resulting from operations	133,774,877	21,280,703
Distributions to shareholders (Note 1):		
From ordinary income		
Net investment income		
Class A	(39,862,201)	(39,484,973)
Class B	(722,360)	(520,121)
Class C	(1,457,020)	(779,513)
Class M	(8,496,166)	(10,977,830)
Class R	(1,442,102)	(1,090,288)
Class Y	(8,559,900)	(7,412,853)

Increase in capital from settlement payments (Note 8)	—	423,611
Redemption fees (Note 1)	17,085	90,811
Increase from capital share transactions (Note 4)	97,306,379	9,237,077
Total increase (decrease) in net assets	170,558,592	(29,233,376)

NET ASSETS

Beginning of year	795,652,488	824,885,864
End of year (including undistributed net investment income of \$6,418,575 and \$5,779,524, respectively)	\$966,211,080	\$795,652,488

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

High Yield Advantage Fund

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Financial highlights (For a common share outstanding throughout the period)

Period ended	INVESTMENT OPERATIONS:					LESS DISTRIBUTIONS:				RATIOS AND SUPPLEMENTAL DATA:				
	Net asset value, beginning of period	Net investment income (loss) ^a	Net realized and unrealized gain (loss) on investments	Total from investment operations	From net investment income	Total distributions	Redemption fees ^b	Non-recurring reimbursements	Net asset value, end of period	Total return at net asset value (%) ^c	Net assets, end of period (in thousands)	Ratio of expenses to average net assets ^d	Ratio of net investment income (loss) to average net assets (%)	Portfolio turnover (%)
Class A														
November 30, 2012	\$5.62	.40	.50	.90	(.40)	(.40)	—	—	\$6.12	16.55	\$652,557	1.04	6.74	40
November 30, 2011	5.90	.43	(.27)	.16	(.44)	(.44)	—	— ^f	5.62	2.58	510,880	1.04	7.25	57
November 30, 2010	5.56	.44	.32	.76	(.42)	(.42)	—	—	5.90	14.10	535,054	1.05 ^e	7.66 ^e	71
November 30, 2009	4.05	.40	1.55	1.95	(.44)	(.44)	—	—	5.56	50.84	479,094	1.13 ^e	8.13 ^e	59
November 30, 2008	6.05	.42	(1.97)	(1.55)	(.45)	(.45)	—	—	4.05	(27.33)	292,694	1.10 ^e	7.63 ^e	34
Class B														
November 30, 2012	\$5.52	.35	.48	.83	(.36)	(.36)	—	—	\$5.99	15.48	\$15,257	1.79	5.94	40
November 30, 2011	5.80	.38	(.27)	.11	(.39)	(.39)	—	— ^f	5.52	1.84	8,076	1.79	6.50	57
November 30, 2010	5.47	.39	.32	.71	(.38)	(.38)	—	—	5.80	13.28	7,520	1.80 ^e	6.93 ^e	71
November 30, 2009	3.99	.35	1.54	1.89	(.41)	(.41)	—	—	5.47	49.61	9,033	1.88 ^e	7.41 ^e	59
November 30, 2008	5.96	.38	(1.94)	(1.56)	(.41)	(.41)	—	—	3.99	(27.84)	6,036	1.85 ^e	6.86 ^e	34
Class C														
November 30, 2012	\$5.50	.35	.48	.83	(.36)	(.36)	—	—	\$5.97	15.52	\$29,271	1.79	5.95	40
November 30, 2011	5.78	.37	(.25)	.12	(.40)	(.40)	—	— ^f	5.50	1.90	15,915	1.79	6.49	57
November 30, 2010	5.46	.39	.31	.70	(.38)	(.38)	—	—	5.78	13.13	9,464	1.80 ^e	6.92 ^e	71
November 30, 2009	3.98	.35	1.54	1.89	(.41)	(.41)	—	—	5.46	49.80	10,020	1.88 ^e	7.16 ^e	59
November 30, 2008	5.95	.37	(1.93)	(1.56)	(.41)	(.41)	—	—	3.98	(27.87)	684	1.85 ^e	6.78 ^e	34
Class M														
November 30, 2012	\$5.62	.39	.49	.88	(.39)	(.39)	—	—	\$6.11	16.13	\$123,203	1.29	6.51	40
November 30, 2011	5.90	.42	(.27)	.15	(.43)	(.43)	—	— ^f	5.62	2.37	130,758	1.29	7.00	57
November 30, 2010	5.57	.43	.31	.74	(.41)	(.41)	—	—	5.90	13.65	164,632	1.30 ^e	7.42 ^e	71
November 30, 2009	4.05	.39	1.56	1.95	(.43)	(.43)	—	—	5.57	50.52	178,550	1.38 ^e	7.97 ^e	59
November 30, 2008	6.05	.41	(1.97)	(1.56)	(.44)	(.44)	—	—	4.05	(27.50)	155,249	1.35 ^e	7.36 ^e	34
Class R														
November 30, 2012	\$5.62	.39	.49	.88	(.39)	(.39)	—	—	\$6.11	16.13	\$26,120	1.29	6.46	40
November 30, 2011	5.90	.41	(.26)	.15	(.43)	(.43)	—	— ^f	5.62	2.37	16,209	1.29	6.98	57
November 30, 2010	5.56	.43	.32	.75	(.41)	(.41)	—	—	5.90	13.86	11,085	1.30 ^e	7.34 ^e	71
November 30, 2009	4.05	.38	1.56	1.94	(.43)	(.43)	—	—	5.56	50.32	4,728	1.38 ^e	7.63 ^e	59
November 30, 2008	6.05	.41	(1.97)	(1.56)	(.44)	(.44)	—	—	4.05	(27.46)	680	1.35 ^e	8.31 ^e	34
Class Y														
November 30, 2012	\$5.81	.43	.52	.95	(.42)	(.42)	—	—	\$6.34	16.76	\$119,803	.79	6.99	40
November 30, 2011	6.08	.46	(.28)	.18	(.45)	(.45)	—	— ^f	5.81	2.88	113,815	.79	7.49	57
November 30, 2010	5.71	.47	.33	.80	(.43)	(.43)	—	—	6.08	14.49	97,130	.80 ^e	7.87 ^e	71
November 30, 2009	4.15	.43	1.58	2.01	(.45)	(.45)	—	—	5.71	50.98	66,691	.88 ^e	8.35 ^e	59
November 30, 2008	6.19	.45	(2.03)	(1.58)	(.46)	(.46)	—	—	4.15	(27.21)	33,660	.85 ^e	7.94 ^e	34

See notes to financial highlights at the end of this section.

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

54 High Yield Advantage Fund

High Yield Advantage Fund 55

Financial highlights (Continued)

^a Per share net investment income (loss) has been determined on the basis of the weighted average number of shares outstanding during the period.

^b Amount represents less than \$0.01 per share.

^c Total return assumes dividend reinvestment and does not reflect the effect of sales charges.

^d Includes amounts paid through expense offset arrangements (Note 2).

^e Reflects an involuntary contractual expense limitation in effect during the period. For periods prior to November 30, 2009, certain fund expenses were waived in connection with the fund's investment in Putnam Prime Money Market Fund. As a result of such limitation and/or waivers, the expenses of each class reflect a reduction of the following amounts:

	Percentage of average net assets
November 30, 2010	0.01%
November 30, 2009	0.09
November 30, 2008	0.02

^f Reflects a non-recurring reimbursement related to restitution amounts in connection with a distribution plan approved by the Securities and Exchange Commission (the SEC) which amounted to less than \$0.01 per share outstanding on July 21, 2011. Also reflects a non-recurring reimbursement related to short-term trading related lawsuits, which amounted to less than \$0.01 per share outstanding on May 11, 2011 (Note 8).

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

56 High Yield Advantage Fund

Notes to financial statements 11/30/12

Within the following Notes to financial statements, references to "State Street" represent State Street Bank and Trust Company, references to "the SEC" represent the Securities and Exchange Commission and references to "Putnam Management" represent Putnam Investment Management, LLC, the fund's manager, an indirect wholly-owned subsidiary of Putnam Investments, LLC. Unless otherwise noted, the "reporting period" represents the period from December 1, 2011 through November 30, 2012.

Putnam High Yield Advantage Fund (the fund) is a Massachusetts business trust, which is registered under the Investment Company Act of 1940, as amended, as a diversified open-end management investment company. The investment objective of the fund is to seek high current income with capital growth as a secondary objective when consistent with the objective of high current income. The fund invests mainly in bonds that are obligations of U.S. companies, are below investment-grade in quality (sometimes referred to as "junk bonds"), and have intermediate- to long-term maturities (three years or longer). The fund may consider, among other factors, credit, interest rate and prepayment risks, as well as general market conditions, when deciding whether to buy or sell investments.

The fund offers class A, class B, class C, class M, class R, and class Y shares. Class A and class M shares are sold with a maximum front-end sales charge of 4.00% and 3.25%, respectively, and generally do not pay a contingent deferred sales charge. Class B shares, which convert to class A shares after approximately eight years, do not pay a front-end sales charge and are subject to a contingent deferred sales charge if those shares are redeemed within six years of purchase. Class C shares have a one-year 1.00% contingent deferred sales charge and do not convert to class A shares. Class R shares, which are not available to all investors, are sold at net asset value. The expenses for class A, class B, class C, class M and class R shares may differ based on the distribution fee of each class, which is identified in Note 2. Class Y shares, which are sold at net asset value, are generally subject to the same expenses as class A, class B, class C, class M and class R shares, but do not bear a distribution fee. Class Y shares are not available to all investors.

In the normal course of business, the fund enters into contracts that may include agreements to indemnify another party under given circumstances. The fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be, but have not yet been, made against the fund. However, the fund's management team expects the risk of material loss to be remote.

Note 1: Significant accounting policies

The following is a summary of significant accounting policies consistently followed by the fund in the preparation of its financial statements. The preparation of financial statements is in conformity with accounting principles generally accepted in the United States of America and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements and the reported amounts of increases and decreases in net assets from operations. Actual results could differ from those estimates. Subsequent events after the Statement of assets and liabilities date through the date that the financial statements were issued have been evaluated in the preparation of the financial statements.

A 1.00% redemption fee may apply on shares that are redeemed (either by selling or exchanging into another fund) within 30 days of purchase. The redemption fee is accounted for as an addition to paid-in-capital.

Investment income, realized and unrealized gains and losses and expenses of the fund are borne pro-rata based on the relative net assets of each class to the total net assets of the fund, except that each class bears expenses unique to that class (including the distribution fees applicable to such classes). Each class votes as a class only with respect to its own distribution plan or other matters on which a class vote is required by law or determined by the Trustees. If the fund were liquidated, shares of each class would receive their pro-rata share of the net assets of the fund. In addition, the Trustees declare separate dividends on each class of shares.

Security valuation 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. Securities quoted in foreign currencies, if any, are translated into U.S. dollars at the current exchange rate.

High Yield Advantage Fund

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Investments in open-end investment companies (excluding exchange traded funds), if any, which can be classified as Level 1 or Level 2 securities, are based on their net asset value. The net asset value of such investment companies equals the total value of their assets less their liabilities and divided by the number of their outstanding shares.

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.

Security transactions and related investment income Security transactions are recorded on the trade date (the date the order to buy or sell is executed). Gains or losses on securities sold are determined on the identified cost basis. Interest income is recorded on the accrual basis. All premiums/discounts are amortized/accreted on a yield-to-maturity basis. The fund earned certain fees in connection with its senior loan purchasing activities. These fees are treated as market discount and are amortized into income in the Statement of operations.

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

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. 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. 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 when the contract matures or by delivery of the currency. The fund could be exposed to risk if the value of the currency changes unfavorably, if the counterparties to the contracts are unable to meet the terms of their contracts or if the fund is unable to enter into a closing position. Risks may exceed amounts recognized on the Statement of assets and liabilities.

Forward currency contracts outstanding at period end, if any, are listed after the fund's portfolio. Outstanding forward currency contracts at the close of the reporting period are indicative of the volume of activity during the reporting period.

Credit default contracts The fund entered into credit default contracts to hedge credit risk, to hedge market risk and 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

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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 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. Periodic payments received 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 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. Risks of loss may exceed amounts recognized on the Statement of assets and liabilities. 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.

Credit default contracts outstanding, including their respective notional amounts at period end, if any, are listed after the fund's portfolio. The fund had an average notional amount of approximately \$700,000 on credit default swap contracts for the reporting period.

Master agreements The fund is a party to ISDA (International Swaps 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 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 \$43,829 on open derivative contracts subject to the Master Agreements. There was no collateral posted by the fund.

Interfund lending The fund, along with other Putnam funds, may participate in an interfund lending program pursuant to an exemptive order issued by the SEC. This program allows the fund to borrow from or lend to other Putnam funds that permit such transactions. Interfund lending transactions are subject to each fund's investment policies and borrowing and lending limits. Interest earned or paid on the interfund lending transaction will be based on the average of certain current market rates. During the reporting period, the fund did not utilize the program.

Line of credit The fund participates, along with other Putnam funds, in a \$315 million unsecured committed line of credit and a \$185 million unsecured uncommitted line of credit, both provided by State Street. Borrowings may be made for temporary or emergency purposes, including the funding of shareholder redemption requests and trade settlements. Interest is charged to the fund based on the fund's borrowing at a rate equal to the Federal Funds rate plus 1.25% for the committed line of credit and the Federal Funds rate plus 1.30% for the uncommitted line of credit. A closing fee equal to 0.02% of the committed line of credit and \$50,000 for the uncommitted line of credit has been paid by the participating funds. In addition, a commitment fee of 0.11% per annum on any unutilized portion

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of the committed line of credit is allocated to the participating funds based on their relative net assets and paid quarterly. During the reporting period, the fund had no borrowings against these arrangements.

Federal taxes It is the policy of the fund to distribute all of its taxable income within the prescribed time period and otherwise comply with the provisions of the Internal Revenue Code of 1986, as amended (the Code), applicable to regulated investment companies. It is also the intention of the fund to distribute an amount sufficient to avoid imposition of any excise tax under Section 4982 of the Code.

The fund is subject to the provisions of Accounting Standards Codification ASC 740 *Income Taxes* (ASC 740). ASC 740 sets forth a minimum threshold for financial statement recognition of the benefit of a tax position taken or expected to be taken in a tax return. The fund did not have a liability to record for any unrecognized tax benefits in the accompanying financial statements. No provision has been made for federal taxes on income, capital gains or unrealized appreciation on securities held nor for excise tax on income and capital gains. Each of the fund's federal tax returns for the prior three fiscal years remains subject to examination by the Internal Revenue Service.

The fund may also be subject to taxes imposed by governments of countries in which it invests. Such taxes are generally based on either income or gains earned or repatriated. The fund accrues and applies such taxes to net investment income, net realized gains and net unrealized gains as income and/or capital gains are earned. In some cases, the fund may be entitled to reclaim all or a portion of such taxes, and such reclaim amounts, if any, are reflected as an asset on the fund's books. In many cases, however, the fund may not receive such amounts for an extended period of time, depending on the country of investment.

At November 30, 2012, the fund had a capital loss carryover of \$89,254,269 available to the extent allowed by the Code to offset future net capital gain, if any. The amounts of the carryovers and the expiration dates are:

		Loss carryover	
Short-term	Long-term	Total	Expiration
\$8,720,272	—	\$8,720,272	November 30, 2014
21,153,748	—	21,153,748	November 30, 2016
59,380,249	—	59,380,249	November 30, 2017

Under the Regulated Investment Company Modernization Act of 2010, the fund will be permitted to carry forward capital losses incurred in taxable years beginning after December 22, 2010 for an unlimited period. However, any losses incurred will be required to be utilized prior to the losses incurred in pre-enactment tax years. As a result of this ordering rule, pre-enactment capital loss carryforwards may be more likely to expire unused. Additionally, post-enactment capital losses that are carried forward will retain their character as either short-term or long-term capital losses rather than being considered all short-term as under previous law.

Distributions to shareholders Distributions to shareholders from net investment income are recorded by the fund on the ex-dividend date. Distributions from capital gains, if any, are recorded on the ex-dividend date and paid at least annually. The amount and character of income and gains to be distributed are determined in accordance with income tax regulations, which may differ from generally accepted accounting principles. These differences include temporary and/or permanent differences of the expiration of a capital loss carryover and interest on payment-in-kind securities. Reclassifications are made to the fund's capital accounts to reflect income and gains available for distribution (or available capital loss carryovers) under income tax regulations. For the reporting period ended, the fund reclassified \$503,916 to increase undistributed net investment income, \$89,053,028 to decrease paid-in-capital and \$88,549,112 to decrease accumulated net realized losses.

The tax basis components of distributable earnings and the federal tax cost as of the close of the reporting period were as follows:

Unrealized appreciation	\$56,412,699
Unrealized depreciation	(17,761,108)
Net unrealized appreciation	38,651,591
Undistributed ordinary income	6,972,766
Capital loss carryforward	(89,254,269)
Cost for federal income tax purposes	\$911,594,194

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Note 2: Management fee, administrative services and other transactions

The fund pays Putnam Management a management fee (based on the fund's average net assets and computed and paid monthly) at annual rates that may vary based on the average of the aggregate net assets of most open-end funds, as defined in the fund's management contract, sponsored by Putnam Management. Such annual rates may vary as follows:

0.720%	of the first \$5 billion,	0.520%	of the next \$50 billion,
0.670%	of the next \$5 billion,	0.500%	of the next \$50 billion,
0.620%	of the next \$10 billion,	0.490%	of the next \$100 billion, and
0.570%	of the next \$10 billion,	0.485%	of any excess thereafter.

Putnam Management has contractually agreed, through June 30, 2013, to waive fees or reimburse the fund's expenses to the extent necessary to limit the cumulative expenses of the fund, exclusive of brokerage, interest, taxes, investment-related expenses, extraordinary expenses, acquired fund fees and expenses and payments under the fund's investor servicing contract, investment management contract and distribution plans, on a fiscal year-to-date basis to an annual rate of 0.20% of the fund's average net assets over such fiscal year-to-date period. During the reporting period, the fund's expenses were not reduced as a result of this limit.

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

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

Custodial functions for the fund's assets are provided by State Street. Custody fees are based on the fund's asset level, the number of its security holdings and transaction volumes.

Putnam Investor Services, Inc., an affiliate of Putnam Management, provides investor servicing agent functions to the fund. Putnam Investor Services, Inc. received fees for investor servicing based on the fund's retail asset level, the number of shareholder accounts in the fund and the level of defined contribution plan assets in the fund. Investor servicing fees will not exceed an annual rate of 0.32% of the fund's average net assets. Prior to March 1, 2012, investor servicing fees could not exceed an annual rate of 0.375% of the fund's average net assets. During the reporting period, the class specific expenses related to investor servicing fees were as follows:

Class A	\$926,282	Class R	34,834
Class B	18,555	Class Y	199,317
Class C	37,436	Total	\$1,418,455
Class M	202,031		

The fund has entered into expense offset arrangements with Putnam Investor Services, Inc. and State Street whereby Putnam Investor Services, Inc.'s and State Street's fees are reduced by credits allowed on cash balances. For the reporting period, the fund's expenses were reduced by \$1,947 under the expense offset arrangements.

Each independent Trustee of the fund receives an annual Trustee fee, of which \$761, as a quarterly retainer, has been allocated to the fund, and an additional fee for each Trustee meeting attended. Trustees also are reimbursed for expenses they incur relating to their services as Trustees.

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

The fund has adopted an unfunded noncontributory defined benefit pension plan (the Pension Plan) covering all Trustees of the fund who have served as a Trustee for at least five years and were first elected prior to 2004. Benefits under the Pension Plan are equal to 50% of the Trustee's average annual attendance and retainer fees for the three years ended December 31, 2005. The retirement benefit is payable during a Trustee's lifetime, beginning the year following retirement, for the number of years of service through December 31, 2006. Pension expense for the fund is included in Trustee compensation and expenses in the Statement of operations. Accrued pension

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liability is included in Payable for Trustee compensation and expenses in the Statement of assets and liabilities. The Trustees have terminated the Pension Plan with respect to any Trustee first elected after 2003.

The fund has adopted distribution plans (the Plans) with respect to its class A, class B, class C, class M and class R shares pursuant to Rule 12b-1 under the Investment Company Act of 1940. The purpose of the Plans is to compensate Putnam Retail Management Limited Partnership, an indirect wholly-owned subsidiary of Putnam Investments, LLC, for services provided and expenses incurred in distributing shares of the fund. The Plans provide for payments by the fund to Putnam Retail Management Limited Partnership at an annual rate of up to 0.35%, 1.00%, 1.00%, 1.00% and 1.00% of the average net assets attributable to class A, class B, class C, class M and class R shares, respectively. The Trustees have approved payment by the fund at an annual rate of 0.25%, 1.00%, 1.00%, 0.50% and 0.50% of the average net assets attributable to class A, class B, class C, class M and class R shares, respectively. During the reporting period, the class specific expenses related to distribution fees were as follows:

Class A	\$1,478,474	Class M	643,547
Class B	118,671	Class R	111,207
Class C	239,353	Total	\$2,591,252

For the reporting period, Putnam Retail Management Limited Partnership, acting as underwriter, received net commissions of \$85,859 and \$349 from the sale of class A and class M shares, respectively, and received \$15,684 and \$977 in contingent deferred sales charges from redemptions of class B and class C shares, respectively.

A deferred sales charge of up to 1.00% and 0.40% is assessed on certain redemptions of class A and class M shares, respectively. For the reporting period, Putnam Retail Management Limited Partnership, acting as underwriter, received \$74 and no monies on class A and class M redemptions, respectively.

Note 3: Purchases and sales of securities

During the reporting period, cost of purchases and proceeds from sales of investment securities other than short-term investments aggregated \$441,190,903 and \$341,348,104, respectively. There were no purchases or proceeds from sales of long-term U.S. government securities.

Note 4: Capital shares

At the close of the reporting period, there was an unlimited number of shares of beneficial interest authorized. Transactions in capital shares were as follows:

Class A	Year ended 11/30/12		Year ended 11/30/11	
	Shares	Amount	Shares	Amount
Shares sold	34,034,672	\$202,599,367	31,716,690	\$186,377,117
Shares issued in connection with reinvestment of distributions	5,670,687	33,574,614	5,518,193	32,561,824
	39,705,359	236,173,981	37,234,883	218,938,941
Shares repurchased	(23,887,276)	(141,992,891)	(37,041,355)	(217,782,415)
Net increase	15,818,083	\$94,181,090	193,528	\$1,156,526

Class B	Year ended 11/30/12		Year ended 11/30/11	
	Shares	Amount	Shares	Amount
Shares sold	1,506,951	\$8,803,078	733,560	\$4,262,414
Shares issued in connection with reinvestment of distributions	93,908	547,236	59,583	344,477
	1,600,859	9,350,314	793,143	4,606,891
Shares repurchased	(518,250)	(3,027,472)	(626,545)	(3,666,745)
Net increase	1,082,609	\$6,322,842	166,598	\$940,146

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Class C	Year ended 11/30/12		Year ended 11/30/11	
	Shares	Amount	Shares	Amount
Shares sold	2,684,363	\$15,569,195	1,927,302	\$11,121,958
Shares issued in connection with reinvestment of distributions	200,002	1,160,670	103,310	593,405
	2,884,365	16,729,865	2,030,612	11,715,363
Shares repurchased	(877,499)	(5,107,018)	(773,873)	(4,450,044)
Net increase	2,006,866	\$11,622,847	1,256,739	\$7,265,319

Class M	Year ended 11/30/12		Year ended 11/30/11	
	Shares	Amount	Shares	Amount
Shares sold	468,594	\$2,800,522	300,112	\$1,767,025
Shares issued in connection with reinvestment of distributions	49,298	291,693	51,102	301,599
	517,892	3,092,215	351,214	2,068,624
Shares repurchased	(3,622,077)	(21,541,253)	(4,979,524)	(29,615,987)
Net decrease	(3,104,185)	\$(18,449,038)	(4,628,310)	\$(27,547,363)

Class R	Year ended 11/30/12		Year ended 11/30/11	
	Shares	Amount	Shares	Amount
Shares sold	1,958,340	\$11,604,867	2,150,158	\$12,830,531
Shares issued in connection with reinvestment of distributions	243,330	1,442,102	184,638	1,088,241
	2,201,670	13,046,969	2,334,796	13,918,772
Shares repurchased	(812,157)	(4,830,060)	(1,328,919)	(7,830,007)
Net increase	1,389,513	\$8,216,909	1,005,877	\$6,088,765

Class Y	Year ended 11/30/12		Year ended 11/30/11	
	Shares	Amount	Shares	Amount
Shares sold	7,870,709	\$48,345,465	11,775,479	\$71,189,142
Shares issued in connection with reinvestment of distributions	1,102,272	6,764,955	1,016,265	6,188,538
	8,972,981	55,110,420	12,791,744	77,377,680
Shares repurchased	(9,661,199)	(59,698,691)	(9,171,417)	(56,043,996)
Net increase (decrease)	(688,218)	\$(4,588,271)	3,620,327	\$21,333,684

At the close of the period, a shareholder of record owned 6.6% of the outstanding shares of the fund.
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Note 5: Summary of derivative activity

The following is a summary of the market values of derivative instruments as of the close of the reporting period:

Market values of derivative instruments as of the close of the reporting period

Derivatives not accounted for as hedging instruments under ASC 815	Asset derivatives		Liability derivatives	
	Statement of assets and liabilities location	Market value	Statement of assets and liabilities location	Market value
Foreign exchange contracts	Receivables	\$—	Payables	\$43,829
Total		\$—		\$43,829

The following is a summary of realized and change in unrealized gains or losses of derivative instruments on the Statement of operations for the reporting period (see Note 1):

Amount of realized gain or (loss) on derivatives recognized in net gain or (loss) on investments

Derivatives not accounted for as hedging instruments under ASC 815	Forward currency contracts		Swaps	Total
Credit contracts	\$—	\$37,325		\$37,325
Foreign exchange contracts	596,654	—		596,654
Total	\$596,654	\$37,325		\$633,979

Change in unrealized appreciation or (depreciation) on derivatives recognized in net gain or (loss) on investments

Derivatives not accounted for as hedging instruments under ASC 815	Forward currency contracts		Swaps	Total
Credit contracts	\$—	\$(37,856)		\$(37,856)
Foreign exchange contracts	(298,316)	—		(298,316)
Total	\$(298,316)	\$(37,856)		\$(336,172)

Note 6: Transactions with affiliated issuer

Transactions during the reporting period with Putnam Money Market Liquidity Fund, which is under common ownership and control, were as follows:

Name of affiliate	Market value at the beginning of the reporting period		Sale proceeds	Investment income	Market value at the end of the reporting period
		Purchase cost			
Putnam Money Market Liquidity Fund*	\$38,065,843	\$269,435,459	\$266,909,655	\$45,321	\$40,591,647

* Management fees charged to Putnam Money Market Liquidity Fund have been waived by Putnam Management.

Note 7: Senior loan commitments

Senior loans are purchased or sold on a when-issued or delayed delivery basis and may be settled a month or more after the trade date, 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.

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Note 8: Regulatory matters and litigation

In late 2003 and 2004, Putnam Management settled charges brought by the SEC and the Massachusetts Securities Division in connection with excessive short-term trading in Putnam funds. In July 2011, the fund recorded a receivable of \$417,577 related to restitution amounts in connection with a distribution plan approved by the SEC. This amount, which was received by the fund in December 2011, is reported as part of Increase in capital from settlement payments on the Statement of changes in net assets. These allegations and related matters have served as the general basis for certain lawsuits, including purported class action lawsuits against Putnam Management and, in a limited number of cases, some Putnam funds. In May 2011, the fund received a payment of \$6,034 related to settlement of those lawsuits. This amount is reported as a part of Increase in capital from settlement payments on the Statement of changes in net assets. Putnam Management has agreed to bear any costs incurred by the Putnam funds as a result of these matters.

Note 9: Market, credit and other risks

In the normal course of business, the fund trades financial instruments and enters into financial transactions where risk of potential loss exists due to changes in the market (market risk) or failure of the contracting party to the transaction to perform (credit risk). The fund may be exposed to additional credit risk that an institution or other entity with which the fund has unsettled or open transactions will default.

Note 10: New accounting pronouncements

In May 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2011-04 "Fair Value Measurements and Disclosures (Topic 820) — Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS". ASU 2011-04 amends FASB Topic 820 "Fair Value Measurement" and seeks to develop common requirements for measuring fair value and for disclosing information about fair value measurements in accordance with GAAP. ASU 2011-04 is effective for fiscal years and interim periods beginning after December 15, 2011. The application of ASU 2011-04 did not have a material impact on the fund's financial statements. In December 2011, the FASB issued ASU No. 2011-11 "Disclosures about Offsetting Assets and Liabilities". The update creates new disclosure requirements requiring entities to disclose both gross and net information for derivatives and other financial instruments that are either offset in the Statement of assets and liabilities or subject to an enforceable master netting arrangement or similar agreement. The disclosure requirements are effective for annual reporting periods beginning on or after January 1, 2013 and interim periods within those annual periods. Putnam Management is currently evaluating the application of ASU 2011-11 and its impact, if any, on the fund's financial statements.

Federal tax information (Unaudited)

For the reporting period ended, pursuant to §871(k) of the Internal Revenue Code, the fund hereby designates \$48,889,788 of distributions paid as qualifying to be taxed as interest-related dividends.

The Form 1099 that will be mailed to you in January 2013 will show the tax status of all distributions paid to your account in calendar 2012.

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About the Trustees

Independent Trustees



Liaquat Ahamed

Born 1952, Trustee since 2012

Principal occupations during past five years: Pulitzer Prize-winning author of *Lords of Finance: The Bankers Who Broke*

the World, whose articles on economics have appeared in such publications as the *New York Times*, *Foreign Affairs*, and the *Financial Times*; Director of Aspen Insurance Co., a New York Stock Exchange company, and Chair of the Aspen Board's Investment Committee. Trustee of the Brookings Institution and Chair of its Investment Committee.

Other directorships: The Rohatyn Group, an emerging-market fund complex that manages money for institutions



Charles B. Curtis

Born 1940, Trustee since 2001

Principal occupations during past five years: Senior Advisor to the Center for Strategic and International Studies.

Former President and Chief Operating Officer of the Nuclear Threat Initiative, a private foundation dealing with national security issues. Member of the Council on Foreign Relations and U.S. State Department International Security Advisory Board. Chairman of World Institute of Nuclear Security, a non-profit international non-governmental organization.

Other directorships: Southern California Edison, a regulated electric utility, and its parent company, Edison International



Ravi Akhouri

Born 1947, Trustee since 2009

Principal occupations during past five years: Advisor to New York Life Insurance Company. Trustee of American India

Foundation and of the Rubin Museum. From 1992 to 2007, was Chairman and CEO of MacKay Shields, a multi-product investment management firm with over \$40 billion in assets under management.

Other directorships: RAGE Frameworks, Inc., a private software company; English Helper, Inc., a private software company



Robert J. Darretta

Born 1945, Trustee since 2007

Principal occupations during past five years: Health Care Industry Advisor to Permira, a global private equity firm.

Until April 2007, was Vice Chairman of the Board of Directors of Johnson & Johnson. Served as Johnson & Johnson's Chief Financial Officer for a decade.

Other directorships: UnitedHealth Group, a diversified health-care company



Katinka Domotorffy

Born 1975, Trustee since 2012

Principal occupations during past five years: Voting member of the

Anne Ray Charitable Trust's Investment Committee; Margaret A. Cargill Philanthropies, until 2011, Partner, Chief Investment Officer, and Global Head of Quantitative Investment Strategies at Goldman Sachs Asset Management.

Other directorships: Reach Out and Read of Greater New York, an organization dedicated to promoting childhood literacy



John A. Hill

Born 1942, Trustee since 1985 and Chairman from 2000 to 2011

Principal occupations during past five years: Founder and Vice-Chairman of

First Reserve Corporation, the leading private equity buyout firm focused on the worldwide energy industry. Trustee and Chairman of the Board of Trustees of Sarah Lawrence College. Member of the Advisory Board of the Millstein Center for Corporate Governance and Performance at the Yale School of Management.

Other directorships: Devon Energy Corporation, a leading independent natural gas and oil exploration and production company



Barbara M. Baumann

Born 1955, Trustee since 2010

Principal occupations during past five years: President and Owner of Cross

Creek Energy Corporation, a strategic consultant to domestic energy firms and direct investor in energy projects. Trustee of Mount Holyoke College and member of the Investment Committee for the college's endowment. Former Chair and current board member of Girls Incorporated of Metro Denver. Member of the Finance Committee, The Children's Hospital of Colorado.

Other directorships: SM Energy Company, a domestic exploration and production company; UNS Energy Corporation, an Arizona utility



Jameson A. Baxter

Born 1943, Trustee since 1994, Vice Chair from 2005 to 2011, and Chair since 2011

Principal occupations during past five years: President of Baxter Associates,

Inc., a private investment firm. Chair of Mutual Fund Directors Forum. Chair Emeritus of the Board of Trustees of Mount Holyoke College. Director of the Adirondack Land Trust and Trustee of the Nature Conservancy's Adirondack Chapter.

66 High Yield Advantage Fund

 **Paul L. Joskow**
 Born 1947, Trustee since 1997
Principal occupations during past five years: Economist and President of the Alfred P. Sloan Foundation, a philanthropic institution focused primarily on research and education on issues related to science, technology, and economic performance; Elizabeth and James Killian Professor of Economics, Emeritus at the Massachusetts Institute of Technology (MIT). Prior to 2007, served as the Director of the Center for Energy and Environmental Policy Research at MIT.
Other directorships: Yale University; TransCanada Corporation, an energy company focused on natural gas transmission, oil pipeline, and power services; Exelon Corporation, an energy company focused on power services; Boston Symphony Orchestra

 **Elizabeth T. Kennan**
 Born 1938, Trustee from 1992 to 2010 and since 2012
Principal occupations during the past five years: Partner of Cambus-Kenneth Farm (thoroughbred horse breeding and general farming); President Emeritus of Mount Holyoke College; Trustee of the National Trust for Historic Preservation and of Centre College; Chairman of the Board of Shaker Village of Pleasant Hill.
Other directorships: Former Chairman and now Lead Director of Northeast Utilities, which operates New England's largest energy delivery system

 **Kenneth R. Leibler**
 Born 1949, Trustee since 2006
Principal occupations during past five years: Founder and former Chairman of Boston Options Exchange, an electronic marketplace for the trading of derivative securities; Vice Chairman of the Board of Trustees of Beth Israel Deaconess Hospital in Boston, Massachusetts. Until November 2010, director of Ruder Finn Group, a global communications and advertising firm.
Other directorships: Northeast Utilities, which operates New England's largest energy delivery system

 **Robert E. Patterson**
 Born 1945, Trustee since 1984
Principal occupations during past five years: Senior Partner of Cabot Properties, LP and Co-Chairman of Cabot Properties, Inc., a private equity firm investing in commercial real estate. Past Chairman and Trustee of the Joslin Diabetes Center.

 **George Putnam, III**
 Born 1951, Trustee since 1984
Principal occupations during past five years: Chairman of New Generation Research, Inc., a publisher of financial advisory and other research services. Founder and President of New Generation Advisors, LLC, a registered investment advisor to private funds; Director of The Boston Family Office, LLC, a registered investment advisor.

 **W. Thomas Stephens**
 Born 1942, Trustee from 1997 to 2008 and since 2009
Principal occupations during past five years: Retired as Chairman and Chief Executive Officer of Boise Cascade, LLC, a paper, forest products, and timberland assets company. In December 2008, Prior to 2010, Director of Boise Inc., a manufacturer of paper and packaging products.
Other directorships: TransCanada Pipelines Ltd., an energy infrastructure company

Interested Trustee
 **Robert L. Reynolds***
 Born 1952, Trustee since 2008 and President of the Putnam Funds since 2009
Principal occupations during past five years: President and Chief Executive Officer of Putnam Investments since 2008. Prior to joining Putnam Investments, served as Vice Chairman and Chief Operating Officer of Fidelity Investments from 2000 to 2007.

* Mr. Reynolds is an "interested person" (as defined in the Investment Company Act of 1940) of the fund, Putnam Management, and Putnam Retail Management. He is President and Chief Executive Officer of Putnam Investments, as well as the President of your fund and each of the other Putnam funds.

The address of each Trustee is One Post Office Square, Boston, MA 02109.
 As of November 30, 2012, there were 109 Putnam funds. All Trustees serve as Trustees of all Putnam funds.
 Each Trustee serves for an indefinite term, until his or her resignation, retirement at age 75, removal, or death.
 High Yield Advantage Fund

Officers

In addition to Robert L. Reynolds, the other officers of the fund are shown below:

Jonathan S. Horwitz (Born 1955)
 Executive Vice President, Principal Executive Officer, and Compliance Liaison
 Since 2004

Steven D. Krichmar (Born 1958)
 Vice President and Principal Financial Officer
 Since 2002
 Chief of Operations, Putnam Investments and Putnam Management

Robert T. Burns (Born 1961)
 Vice President and Chief Legal Officer
 Since 2011
 General Counsel, Putnam Investments and Putnam Management

Robert R. Leveille (Born 1969)
 Vice President and Chief Compliance Officer
 Since 2007
 Chief Compliance Officer, Putnam Investments, Putnam Management, and Putnam Retail Management

Michael J. Higgins (Born 1976)
 Vice President and Treasurer
 Since 2010
 Manager of Finance, Dunkin' Brands (2008–2010); Senior Financial Analyst, Old Mutual Asset Management (2007–2008); Senior Financial Analyst, Putnam Investments (1999–2007)

Janet C. Smith (Born 1965)
 Vice President, Principal Accounting Officer, and Assistant Treasurer
 Since 2007
 Director of Fund Administration Services, Putnam Investments and Putnam Management

Susan G. Malloy (Born 1957)
 Vice President and Assistant Treasurer
 Since 2007
 Director of Accounting & Control Services, Putnam Management

James P. Pappas (Born 1953)
 Vice President
 Since 2004
 Director of Trustee Relations, Putnam Investments and Putnam Management

Mark C. Trenchard (Born 1962)
 Vice President and BSA Compliance Officer
 Since 2002
 Director of Operational Compliance, Putnam Investments and Putnam Retail Management

Judith Cohen (Born 1945)
 Vice President, Clerk, and Associate Treasurer
 Since 1993

Nancy E. Florek (Born 1957)
 Vice President, Proxy Manager, Assistant Clerk, and Associate Treasurer
 Since 2000

The principal occupations of the officers for the past five years have been with the employers as shown above although in some cases, they have held different positions with such employers. The address of each Officer is One Post Office Square, Boston, MA 02109.

Fund information

Founded 75 years ago, Putnam Investments was built around the concept that a balance between risk and reward is the hallmark of a well-rounded financial program. We manage over 100 funds across income, value, blend, growth, asset allocation, absolute return, and global sector categories.

Investment Manager
 Putnam Investment

Trustees
 Jameson A. Baxter, *Chair*

Robert R. Leveille
Vice President and

Management, LLC
One Post Office Square
Boston, MA 02109

Investment Sub-Manager
Putnam Investments Limited
57-59 St James's Street
London, England SW1A 1LD

Marketing Services
Putnam Retail Management
One Post Office Square
Boston, MA 02109

Custodian
State Street Bank
and Trust Company

Legal Counsel
Ropes & Gray LLP

**Independent Registered
Public Accounting Firm**
KPMG LLP

Liaquat Ahamed
Ravi Akhoury
Barbara M. Baumann
Charles B. Curtis
Robert J. Darretta
Katinka Domotorffy
John A. Hill
Paul L. Joskow
Elizabeth T. Kennan
Kenneth R. Leibler
Robert E. Patterson
George Putnam, III
Robert L. Reynolds
W. Thomas Stephens

Officers
Robert L. Reynolds
President

Jonathan S. Horwitz
*Executive Vice President,
Principal Executive Officer, and
Compliance Liaison*

Steven D. Krichmar
*Vice President and
Principal Financial Officer*

Robert T. Burns
*Vice President and
Chief Legal Officer*

Chief Compliance Officer

Michael J. Higgins
Vice President and Treasurer

Janet C. Smith
*Vice President,
Principal Accounting Officer,
and Assistant Treasurer*

Susan G. Malloy
*Vice President and
Assistant Treasurer*

James P. Pappas
Vice President

Mark C. Trenchard
*Vice President and
BSA Compliance Officer*

Judith Cohen
*Vice President, Clerk, and
Associate Treasurer*

Nancy E. Florek
*Vice President, Proxy
Manager, Assistant Clerk, and
Associate Treasurer*

This report is for the information of shareholders of Putnam High Yield Advantage Fund. It may also be used as sales literature when preceded or accompanied by the current prospectus, the most recent copy of Putnam's Quarterly Performance Summary, and Putnam's Quarterly Ranking Summary. For more recent performance, please visit putnam.com. Investors should carefully consider the investment objectives, risks, charges, and expenses of a fund, which are described in its prospectus. For this and other information or to request a prospectus or summary prospectus, call 1-800-225-1581 toll free. Please read the prospectus carefully before investing. The fund's Statement of Additional Information contains additional information about the fund's Trustees and is available without charge upon request by calling 1-800-225-1581.

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A BALANCED APPROACH

Since 1937, when George Putnam created a diverse mix of stocks and bonds in a single, professionally managed portfolio, Putnam has championed the balanced approach.

A WORLD OF INVESTING

Today, we offer investors a world of equity, fixed-income, multi-asset, and absolute-return portfolios to suit a range of financial goals.

A COMMITMENT TO EXCELLENCE

Our portfolio managers seek superior results over time, backed by original, fundamental research on a global scale. We believe in the value of experienced financial advice, in providing exemplary service, and in putting clients first in all we do.



Item 2. Code of Ethics:

(a) The fund's principal executive, financial and accounting officers are employees of Putnam Investment Management, LLC, the Fund's investment manager. As such they are subject to a comprehensive Code of Ethics adopted and administered by Putnam Investments which is designed to protect the interests of the firm and its clients. The Fund has adopted a Code of Ethics which incorporates the Code of Ethics of Putnam Investments with respect to all of its officers and Trustees who are employees of Putnam Investment Management, LLC. For this reason, the Fund has not adopted a separate code of ethics governing its principal executive, financial and accounting officers.

(c) In May 2008, the Code of Ethics of Putnam Investment Management, LLC was updated in its entirety to include the amendments adopted in August 2007 as well as a several additional technical, administrative and non-substantive changes. In May of 2009, the Code of Ethics of Putnam Investment Management, LLC was amended to reflect that all employees will now be subject to a 90-day blackout restriction on holding Putnam open-end funds, except for portfolio managers and their supervisors (and each of their immediate family members), who will be subject to a one-year blackout restriction on the funds that they manage or supervise. In June 2010, the Code of Ethics of Putnam Investments was updated in its entirety to include the amendments adopted in May of 2009 and to change certain rules and limits contained in the Code of Ethics. In addition, the updated Code of Ethics included numerous technical, administrative and non-substantive changes, which were intended primarily to make the document easier to navigate and understand. In July 2011, the Code of Ethics of Putnam Investments was updated to reflect several technical, administrative and non-substantive changes resulting from changes in employee titles.

Item 3. Audit Committee Financial Expert:

The Funds' Audit and Compliance Committee is comprised solely of Trustees who are "independent" (as such term has been defined by the Securities and Exchange Commission ("SEC") in regulations implementing Section 407 of the Sarbanes-Oxley Act (the "Regulations")). The Trustees believe that each of the members of the Audit and Compliance Committee also possess a combination of knowledge and experience with respect to financial accounting matters, as well as other attributes, that qualify them for service on the Committee. In addition, the Trustees have determined that each of Mr. Leibler, Mr. Hill, Mr. Darretta and Ms. Baumann qualifies as an "audit committee financial expert" (as such term has been defined by the Regulations) based on their review of his or her pertinent experience and education. The SEC has stated that the designation or identification of a person as an audit committee financial expert pursuant to this Item 3 of Form N-CSR does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Audit and Compliance Committee and the Board of Trustees in the absence of such designation or identification.

Item 4. Principal Accountant Fees and Services:

The following table presents fees billed in each of the last two fiscal years for services rendered to the fund by the fund's independent auditor:

Fiscal year ended	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
November 30, 2012	\$80,880	\$--	\$4,450	\$ --
November 30, 2011	\$82,325	\$--	\$4,350	\$ --

For the fiscal years ended November 30, 2012 and November 30, 2011, the fund's independent auditor billed aggregate non-audit fees in the amounts of \$4,450 and \$4,350 respectively, to the fund, Putnam Management and any entity controlling, controlled by or under common control with Putnam Management that provides ongoing services to the fund.

Audit Fees represent fees billed for the fund's last two fiscal years relating to the audit and review of the financial statements included in annual reports and registration statements, and other services that are normally provided in connection with statutory and regulatory filings or engagements.

Audit-Related Fees represent fees billed in the fund's last two fiscal years for services traditionally performed by the fund's auditor, including accounting consultation for proposed transactions or concerning financial accounting and reporting standards and other audit or attest services not required by statute or regulation.

Tax Fees represent fees billed in the fund's last two fiscal years for tax compliance, tax planning and tax advice services. Tax planning and tax advice services include assistance with tax audits, employee benefit plans and requests for rulings or technical advice from taxing authorities.

Pre-Approval Policies of the Audit and Compliance Committee. The Audit and Compliance Committee of the Putnam funds has determined that, as a matter of policy, all work performed for the funds by the funds' independent auditors will be pre-approved by the Committee itself and thus will generally not be subject to pre-approval procedures.

The Audit and Compliance Committee also has adopted a policy to pre-approve the engagement by Putnam Management and certain of its affiliates of the funds' independent auditors, even in circumstances where pre-approval is not required by applicable law. Any such requests by Putnam Management or certain of its affiliates are typically submitted in writing to the Committee and explain, among other things, the nature of the proposed engagement, the estimated fees, and why this work should be performed by that particular audit firm as opposed to another one. In reviewing such requests, the Committee considers, among other things, whether the provision of such services by the audit firm are compatible with the independence of the audit firm.

The following table presents fees billed by the fund's independent auditor for services required to be approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X.

Fiscal year ended	Audit-Related Fees	Tax Fees	All Other Fees	Total Non-Audit Fees
November 30, 2012	\$ --	\$ --	\$ --	\$ --
November 30, 2011	\$ --	\$ --	\$ --	\$ --

Item 5. Audit Committee of Listed Registrants

Not applicable

Item 6. Schedule of Investments:

The registrant's schedule of investments in unaffiliated issuers is included in the report to shareholders in Item 1 above.

Item 7. Disclosure of Proxy Voting Policies and Procedures For Closed-End Management Investment Companies:

Not applicable

Item 8. Portfolio Managers of Closed-End Investment Companies

Not Applicable

Item 9. Purchases of Equity Securities by Closed-End Management Investment Companies and Affiliated Purchasers:

Not applicable

Item 10. Submission of Matters to a Vote of Security Holders:

Not applicable

Item 11. 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 12. Exhibits:

(a)(1) The Code of Ethics of The Putnam Funds, which incorporates the Code of Ethics of Putnam Investments, is filed herewith.

(a)(2) 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.

(b) The certifications required by Rule 30a-2(b) 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 High Yield Advantage Fund

By (Signature and Title):

/s/Janet C. Smith

Janet C. Smith

Principal Accounting Officer

Date: January 28, 2013

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: January 28, 2013

By (Signature and Title):

/s/Steven D. Krichmar

Steven D. Krichmar

Principal Financial Officer

Date: January 28, 2013

Certifications

I, Jonathan S. Horwitz, the Principal Executive Officer of the funds listed on Attachment A, certify that:

1. I have reviewed each report on Form N-CSR of the funds listed on Attachment A:
2. Based on my knowledge, each report does not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by each report;
3. Based on my knowledge, the financial statements, and other financial information included in each report, fairly present in all material respects the financial condition, results of operations, changes in net assets, and cash flows (if the financial statements are required to include a statement of cash flows) of the registrant as of, and for, the periods presented in each report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) and internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which each report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of a date within 90 days prior to the filing date of each report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed to each registrant's auditors and the audit committee of each registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect each registrant's ability to record, process, summarize, and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in each registrant's internal control over financial reporting.

Date: January 25, 2013

/s/ Jonathan S. Horwitz

Jonathan S. Horwitz
Principal Executive Officer

Certifications

I, Steven D. Krichmar, the Principal Financial Officer of the funds listed on Attachment A, certify that:

1. I have reviewed each report on Form N-CSR of the funds listed on Attachment A:
2. Based on my knowledge, each report does not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by each report;
3. Based on my knowledge, the financial statements, and other financial information included in each report, fairly present in all material respects the financial condition, results of operations, changes in net assets, and cash flows (if the financial statements are required to include a statement of cash flows) of the registrant as of, and for, the periods presented in each report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) and internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which each report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of a date within 90 days prior to the filing date of each report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred

during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed to each registrant's auditors and the audit committee of each registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect each registrant's ability to record, process, summarize, and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in each registrant's internal control over financial reporting.

Date: January 25, 2013

/s/ Steven D. Krichmar

Steven D. Krichmar
Principal Financial Officer

Attachment A

Period (s) ended November 30, 2012

Putnam Arizona Tax Exempt Income Fund
Putnam Minnesota Tax Exempt Income Fund
Putnam Massachusetts Tax Exempt Income Fund
Putnam New York Tax Exempt Income Fund
Putnam High Yield Advantage Fund
Putnam Equity Income Fund
Putnam Pennsylvania Tax Exempt Income Fund
Putnam Ohio Tax Exempt Income Fund
Putnam New Jersey Tax Exempt Income Fund
Putnam Michigan Tax Exempt Income Fund
Putnam Dynamic Asset Allocation Equity Fund
Putnam Dynamic Risk Allocation Fund

Section 906 Certifications

I, Jonathan S. Horwitz, the Principal Executive Officer of the Funds listed on Attachment A, certify that, to my knowledge:

1. The form N-CSR of the Funds listed on Attachment A for the period ended November 30, 2012 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Form N-CSR of the Funds listed on Attachment A for the period ended November 30, 2012 fairly presents, in all material respects, the financial condition and results of operations of the Funds listed on Attachment A.

Date: January 25, 2013

/s/ Jonathan S. Horwitz

Jonathan S. Horwitz
Principal Executive Officer

Section 906 Certifications

I, Steven D. Krichmar, the Principal Financial Officer of the Funds listed on Attachment A, certify that, to my knowledge:

1. The form N-CSR of the Funds listed on Attachment A for the period ended November 30, 2012 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Form N-CSR of the Funds listed on Attachment A for the period ended November 30, 2012 fairly presents, in all material respects, the financial condition and results of operations of the Funds listed on Attachment A.

Date: January 25, 2013

/s/ Steven D. Krichmar

Steven D. Krichmar
Principal Financial Officer

Attachment A

N-CSR

Period (s) ended November 30, 2012

Putnam Arizona Tax Exempt Income Fund
Putnam Minnesota Tax Exempt Income Fund
Putnam Massachusetts Tax Exempt Income Fund
Putnam New York Tax Exempt Income Fund
Putnam High Yield Advantage Fund
Putnam Equity Income Fund
Putnam Pennsylvania Tax Exempt Income Fund
Putnam Ohio Tax Exempt Income Fund
Putnam New Jersey Tax Exempt Income Fund
Putnam Michigan Tax Exempt Income Fund
Putnam Dynamic Asset Allocation Equity Fund
Putnam Dynamic Risk Allocation Fund

Amendments to Putnam's Code of Ethics - June 2011

The following sections of the Code are rewritten to read in their entirety as follows:

Definitions

Access Person Putnam has identified certain employees as Access Persons due to their position or access to investment information. Access Persons are held to a higher standard under the Code than other employees. Please ask the Code of Ethics Officer if you have any question whether you are an Access Person. The following employees are Access Persons:

All employees of Putnam's Investment Management Division

Employees of the Operations Division within the following specific groups and departments:

- » Fund Administration Group
- » investment Services and Operations Group
- » Accounting Services Group
- » Custody Services Group

Any employee in the following groups or divisions who reports directly to a member of the Operating Committee:

- » Mutual Fund Shareholder Services Group
- » Accounting, Custody, and Control Services Group
- » Global Marketing and Products Division
- » Defined Contribution Division
- » Global Distribution Division

All members of Putnam's Operating Committee

All employees of Putnam Investments Limited (PiL) and all other Putnam employees based in Europe

All directors and officers of a registered investment advisor affiliate, e.g., Putnam Investment Management, LLC (PIM), or The Putnam Advisory Company, LLC (PAC)

All employees who have access to My Putnam (unless access is limited to the *Wall Street Journal*, *Factiva*, or other systems that do not allow access to non-public information about Putnam products, as determined by the Code of Ethics Officer)

Employees who have systems access or other access to non-public information about any client's purchase or sale of securities or to information regarding portfolio holdings or recommendations with respect to such purchases or sales

Others as determined by the Code of Ethics Officer

Section 8 – Sanctions

The Code of Ethics Oversight Committee has adopted the following minimum monetary sanctions for violations of the Code. These sanctions apply even if the exception results from inadvertence rather than intentional misbehavior. The Code of Ethics Oversight Committee will review and approve sanctions on employees. However, the sanctions noted below are only minimums, and the Committee reserves the right to impose sanctions it believes fit the circumstances, such as higher monetary sanctions, trading bans, suspension, or termination of employment. The Committee's belief that an employee has violated the Code of Ethics intentionally may result in more severe sanctions than outlined in the guidelines.

8.1. Sanctions for violations of Sections 1-3.

The minimum sanction per violation of the Rules in Sections 1, 2 or 3 is disgorgement of any profits or payment of avoided losses and the following payments:

Investment Division, Operating Committee Member, and any employee who reports directly to an Operating Committee Member	All other employees not included in the criteria for inclusion in the higher sanction schedule
--	---

**(administrative assistants
will be excluded from the
higher sanction schedule)**

1st violation	\$250	\$50
2nd violation	\$500	\$100
3rd violation	Minimum monetary sanction for a 2 nd violation with a ban on all new personal securities transactions for time period determined by the Code of Ethics Oversight Committee	

8.2. Sanctions for violations of Sections 4-6.

The minimum sanction for violations of the rules in Sections 4-6 is as follows:

Investment Division, Operating Committee Member, and any employee who reports directly to an Operating Committee Member (administrative assistants will be excluded from the higher sanction schedule)	All other employees not included in the criteria for inclusion in the higher sanction schedule
---	---

1st violation	Warning	Warning
2nd violation	\$50	\$25
3rd violation	\$100	\$50

8.3. Sanctions for violations of Section 7.

All violations concerning the use of material, non-public information, failure to report inside information, or insider trading will be presented to the Code of Ethics Oversight Committee to determine the appropriate sanction, up to and including termination. Severe criminal penalties may also be imposed.

The reference period for determining generally whether a violation is initial or subsequent will be three years.

Putnam's Code of Ethics

[Graphic omitted: Portrait of Samuel Putnam]

[Graphic omitted: Putnam Investments logo]

Putnam Investments Code of Ethics

Putnam Investments is required by law to adopt a Code of Ethics (the "Code"). The objective of the Code is to ensure that Putnam's employees comply with all applicable laws and avoid any conflict of interest that might result in any harm to our clients. Putnam owes a fiduciary duty to its clients. This Code of Ethics is designed to strengthen the trust and confidence our clients place in us and to demonstrate that our clients' interests come first.

Adherence to the Code is a fundamental condition of employment at Putnam. Every employee is expected to adhere to the requirements of the Code. Any employee failing to do so may be subject to disciplinary action, including financial penalties and termination of employment, as determined by the Code of Ethics Officer, the Code of Ethics Oversight Committee, or the Chief Executive Officer of Putnam Investments.

1

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Definitions

Access Person Putnam has identified certain employees as Access Persons due to their position or access to investment information. Access Persons are held to a higher standard under the Code than other employees. Please ask the Code of Ethics Officer if you have any question whether you are an Access Person. The following employees are Access Persons:

All employees of Putnam’s Investment Management Division

Employees of the Operations Division within the following specific groups and departments:

- » Fund Administration Group
- » Investment Services and Operations Group
- » Accounting Services Group
- » Custody Services Group

Senior Managing Directors and Managing Directors in:

- » Mutual Fund Shareholder Services Group
- » Accounting, Custody, and Control Services Group
- » Global Marketing and Products Division
- » Global Distribution Division

All members of Putnam's Operating Committee

All employees of Putnam Investments Limited (PIL) and all other Putnam employees based in Europe

All directors and officers of a registered investment advisor affiliate, e.g., Putnam Investment Management, LLC (PIM), or The Putnam Advisory Company, LLC (PAC)

All employees who have access to My Putnam (unless access is limited to the *Wall Street Journal*, *Factiva*, or other systems that do not allow access to non-public information about Putnam products, as determined by the Code of Ethics Officer)

Employees who have systems access or other access to non-public information about any client's purchase or sale of securities or to information regarding portfolio holdings or recommendations with respect to such purchases or sales

Others as determined by the Code of Ethics Officer

Approved Indices means any securities index (which is typically a broad-based index) determined by the Code of Ethics Officer to present minimal risks of abuse. All Approved Indices are posted on the Putnam Compliance intranet homepage and the Code of Ethics PTA system.

Closed-end fund means a fund that has a fixed number of shares outstanding and does not redeem its shares. Closed-end funds typically trade like stocks on an exchange.

The **Code of Ethics Officer** and the **Deputy Code of Ethics Officer** are responsible for enforcing and interpreting the Code. The following are the current members of the Code of Ethics staff, each of whom can answer employee questions and provide other assistance regarding the Code:

Code of Ethics Officer:	Bob Leveille	(617) 760-1858
Deputy Code of Ethics Officer:	Rick DeGregorio	(617) 760-1201
Compliance Analyst:	Dana Scribner-Shea	(617) 760-7182

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Code of Ethics Oversight Committee has oversight responsibility for administering the Code of Ethics. Members include the Code of Ethics Officer and other members of Putnam's senior management appointed by the Chief Executive Officer of Putnam. The Committee reviews and approves Code revisions, violations, and sanctions. In certain instances, requests for exemptions may require the approval of the Committee. The Committee meets on a quarterly basis or as otherwise necessary.

Exchange-Traded Fund (ETF) means a fund (other than a closed-end fund) that can be traded on an exchange throughout the day like a stock. ETFs often track an index. Examples include (but are not limited to) SPDRs, WEBS, QQQQs, iShares, and HLDRs.

Immediate Family means the Putnam employee's spouse, domestic partner, fiancé(e), or other family members who are living in the same household. Immediate Family also includes any other family members, including in-laws, for whom the Putnam employee can exercise investment discretion, regardless of whether or not they live in the same household.

Private Placement means any offering of a security not offered to the public and not requiring registration with the relevant securities authorities.

Putnam means any or all of Putnam Investments, LLC and its subsidiaries (other than PanAgora Asset Management, Inc.), any one of which shall be a Putnam company.

Putnam employee, or employee, means any employee of Putnam and, for purposes of all rules in Sections 1, 2, and 3, also includes the following:

Members of the Immediate Family of a Putnam employee;

Any trust in which a Putnam employee or Immediate Family member is a trustee with investment discretion;

Any account for a partnership in which a Putnam employee or Immediate Family member is a general partner or a partner with investment discretion;

Any closely held entity (such as a partnership, limited liability company, or corporation) in which a Putnam employee or Immediate Family member holds a controlling interest and with respect to which he or she has investment discretion;

Any account (including any retirement, pension, deferred compensation, or similar account) in which a Putnam employee or Immediate Family member has a substantial economic interest and over which the Putnam employee or Immediate Family member exercises investment discretion;

Any account other than a Putnam client account that receives investment advice of any sort from the employee or Immediate Family member, or as to which the employee or Immediate Family member has investment discretion.

Security The instruments required to be pre-cleared under Section 1.1 are considered to be securities for purposes of this Code and are also required to be reported by Access Persons under Section 4. In addition, transactions in exchange-traded funds (ETFs), exchange-traded notes (ETNs), exchange-traded commodities (ETCs), options, futures, and other derivative securities are required to be reported by Access Persons under Section 4, even for those instruments that are not required to be pre-cleared pursuant to Section 1.1(c).

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Section 1 – Personal Securities Rules for All Employees

Putnam maintains the Code of Ethics PTA system to assist employees in fulfilling their obligations under the Code of Ethics. This system can be accessed by selecting the Code of Ethics PTA link, which appears on Putnam's intranet page in the Secure Information Section under My Essentials. This system allows the automated pre-clearance of publicly traded equities and other securities trading on major U.S. and other exchanges. To pre-clear an options contract for a publicly traded security, pre-clear the underlying security in the Code of Ethics PTA system. To request clearance to trade bonds or other securities, you must contact the Code of Ethics staff. Pre-clearance hours are 9:00 a.m. to 4:00 p.m. EST.

1.1. Pre-clearance Requirements

1.1(a) Employees must pre-clear all trades in the following securities:

- Stocks of companies

- Bonds (including corporate, municipal, high-yield, and convertible bonds)

- Options, warrants, and all other derivatives of any underlying securities which themselves require pre-clearance.

Examples include options and futures based on specific stocks or based on indices that are not Approved Indices (see "Definitions" section)

- Exchange-traded funds (ETFs) other than those based on Approved Indices or based on other instruments listed below (under Section 1.1(c)) that do not require pre-clearance

- Exchange-traded notes (ETNs) other than those based on Approved Indices

- Closed-end funds, including Putnam closed-end funds

Employees must also pre-clear the following transactions:

- Private placements and purchases of hedge funds or other private investment funds must receive pre-approval from the Code of Ethics Oversight Committee

- Donating or gifting of securities

- Shares purchased by subscription or by mail (if purchasing directly from a company's transfer agent by check, you must pre-clear the day the check is to be mailed)

- Tendering securities from your personal account

1.1(b) Provisions Applicable to Pre-Clearances

A pre-clearance is only valid for trading on the day it is obtained. However, trades by employees in Putnam's Asian or European offices, or trades by any employees in securities listed on Asian or European stock exchanges, may be executed within one business day after pre-clearance is obtained. If the Code of Ethics system does not recognize a security, if an employee is unable to use the system, or if he or she has any questions with respect to the system or pre-clearance, the employee must contact the Code of Ethics staff.

1.1(c) Exceptions from Pre-Clearance Requirements

Pre-clearance is not required for certain transactions. (Please note that reporting may still be required for Access Persons even when pre-clearance is not required. See Sections 4 and 5 for reporting requirements.)

Pre-clearance is not required for:

Open-end mutual funds

Currencies

Commodities

Treasury securities and other U.S. and other sovereign government debt (Please note that agency securities, such as securities issued by Fannie Mae and Freddie Mac, require pre-clearance.)

Certificates of deposit (CDs), commercial paper, repurchase agreements, bankers' acceptances, and other money market instruments

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Options and futures and all other derivatives of securities not requiring pre-clearance (Please note that examples include options and futures based on Approved Indices (see Definitions) and Treasury futures.)

ETFs and ETNs based on Approved Indices

Exchange-traded commodities (ETCs)

Withdrawals or distributions from a Putnam Retirement Plan that result in the sale of MMC stock

Trades in approved discretionary accounts (see Section 4.2 for additional information)

Transactions that are involuntary (i.e., not initiated by the employee or an immediate family member covered under the Code), including dividend reinvestments under an automatic program of a publicly traded issuer and broker actions not initiated by the employee, such as option assignments or sales out of the brokerage account to cover fees or margin calls (provided the employee may not have withdrawn funds from the margin account in the prior 10 days)

1.2. Restricted List

Employees may not trade in securities that are on Putnam's restricted list, except as set forth below under "Large-/Mid-Cap Exemption." There are a number of reasons why a security may appear on the Restricted List, and securities are placed on the Restricted List under criteria, and in specific circumstances, as determined by the Code of Ethics Officer or the Code of Ethics Oversight Committee. If a security is not on the Restricted List, other classes of securities of the same issuer (e.g., preferred or convertible preferred stock) may be on the Restricted List. It is the employee's responsibility to identify with particularity the class of securities being pre-cleared.

Large-/Mid-Cap Exemption. An employee may trade up to 1,000 shares of a security appearing on the Restricted List if it is an equity security of an issuer with a market capitalization greater than \$2 billion. However, these transactions must still be pre-cleared. Market capitalization is defined as outstanding shares multiplied by current price per share.

1.3. Prohibited Transactions

The following transactions and activities are prohibited for all employees:

1. Good-Until-Canceled Orders (GTC). Any order not executed on the day of pre-clearance must be resubmitted for pre-clearance before being executed on a subsequent day.
2. Short sales of any security that is subject to pre-clearance requirements. However, short sales against the box are permitted. In addition, opening an option position that would result in a short position in the underlying security upon assignment or expiration is also prohibited. For example, buying a put option without owning a number of shares at least equal to the delivery obligation under the contract, or selling a naked call option, would be prohibited.
3. Purchasing securities in an initial public offering (IPO). Although exceptions from this prohibition will rarely be granted, employees may request an exemption from the Code of Ethics Officer, who may grant exceptions in unusual cases such as when an immediate family member's association or employment with the issuer warrants consideration or when the employee has had a pre-existing status for at least two years as a policyholder or depositor in connection with a bank or insurance company conversion from mutual or cooperative form to stock form.
4. Trading with Material Non-public Information (see Section 7)
5. Personal Trading with Putnam Client Portfolios. Putnam employees may not buy or sell securities when the employee knows a Putnam client account is on the other side of the trade.
6. Participating in an Investment Club
7. Spread Betting. PIL employees may not enter into any spread betting contracts on financial instruments.
8. Excessive Trading. Employees are prohibited from making more than 10 trades in individual securities in any given quarter across all their accounts (including accounts held by Immediate Family members). For purposes of applying this

rule, securities that are required to be pre-cleared shall be the only securities counted, and trading the same security in the same direction (buy or sell) over a period of five business days will be counted as one transaction.

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Section 2 – Putnam Mutual Funds

2.1. Holding Putnam Mutual Fund Shares at Putnam

Putnam employees must hold shares of Putnam open-end U.S. mutual funds through accounts maintained at Putnam, with Putnam Retail Management (PRM) listed as the dealer of record. All transactions must be executed through Putnam and not through an outside broker or other intermediary.

These requirements also apply to:

- Self-directed IRA accounts holding Putnam fund shares;

- Variable annuities and variable insurance contracts, such as Putnam/Hartford Capital Manager and Allstate Advisor, which invest in Putnam Variable Trusts (must list PRM as dealer but may be held at the insurer).

In limited circumstances, retirement, pension, deferred compensation, and similar accounts (and variable insurance arrangements) that cannot be legally transferred to Putnam may be allowed to hold Putnam funds upon approval of the Code of Ethics Officer. For example, a spouse of a Putnam employee may have a 401(k)/ Profit Sharing Plan with his or her employer that invests in Putnam funds. The employee must notify the Code of Ethics Officer in writing, provide the reason why the account cannot be transferred to Putnam, and arrange for a quarterly statement of transactions in such account to be sent to the Code of Ethics staff, if approved.

2.2. Putnam Mutual Funds – Employee Holding Periods and Linked Accounts

Employees may not, within a 90-calendar day period, make a purchase followed by a sale or a sale followed by a purchase of shares of the same open-end Putnam mutual fund, even if the transactions occur in different accounts.

Employees who have sole or shared supervisory or portfolio management responsibility for a Putnam open-end mutual fund or a U.S. registered mutual fund to which Putnam acts as advisor or sub-advisor may not, within a one-year period, make a purchase followed by a sale or a sale followed by a purchase of shares of such fund, even if the transactions occur in different accounts.

All employees are required to ensure that their Immediate Family members' accounts holding Putnam mutual funds are linked to comply with the disclosure and holding period requirements. To ensure these accounts are linked, log on to Putnam' s intranet home page at <http://intranet/home/index.shtml>, and select My Essentials/Linked Mutual Fund Accounts.

The above holding period restrictions do not apply to:

- 401(k)/Profit Sharing (or other employee benefit plan) contributions, withdrawals, loans, or distributions, including employer contributions or forfeitures to an employee' s account. However, exchanges within these accounts are subject to these holding period restrictions.

- Putnam' s Money Market Funds or Putnam Stable Value Fund

- Systematic investments, exchanges, or redemptions and payroll deductions. However, once these programs are established/revised, they may not be changed again for 90 days. Employees subject to a one-year holding period with respect to a fund may establish a semiannual or annual automatic rebalancing program, although it may only be changed on an annual basis.

- Dividend reinvestments, distributions, fund mergers, and share class conversions

- Qualified redemptions (i.e., from the Putnam CollegeAdvantage 529 Plan for matters such as tuition, school fees, books, supplies, and equipment required by the school, room and board, disability, and death)

In special situations, such as financial hardship or disability, an exemption from the holding period requirements may be provided by the Code of Ethics Oversight Committee upon written application by the employee.

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2.3. Putnam Mutual Funds – Closed-End Fund Rules

2.3(a) Pre-clearance and Reporting. Putnam closed-end fund shares are subject to the same pre-clearance and reporting requirements as other stocks. A list of the Putnam closed-end funds can be obtained from the Code of Ethics staff.

2.3(b) Special Rules Applicable to Managing Directors in the Investment Division, Operating Committee members, and officers of the Putnam Funds. Managing Directors in Putnam' s Investment Division, Putnam Operating Committee

members, and officers of the Putnam Funds will not receive clearance to engage in any combination of purchase and sale, or sale and purchase, of the shares of a given closed-end fund within six months of each other. Therefore, purchases should be made only if you intend to hold the shares more than six months, and sales should not be made if you plan to purchase more shares of that fund within six months.

Section 3 – Additional Rules for Access Persons and Certain Investment Professionals

3.1. 60-Day Short-Term Rule – All Access Persons

Access Persons may not sell a security at a price higher than any price paid for that security within the past 60 calendar days, or buy a security at a price below which he or she sold it within the past 60 days. This rule applies to transactions across all accounts of the employee. All trades for the previous 60 days will be compared to the trade date for the transaction in question to determine whether a violation has occurred. Thus, if an employee buys a security for \$10, buys it again for \$15, and then sells shares of this security for \$12, this will be considered a violation even though some shares of the security in question were bought for a higher price. Access Persons may also not open an option transaction for a contract that expires in 60 days or less. Although portfolio managers and analysts may sell securities at a profit within 60 days of purchase in order to comply with the requirements of the 7-Day Pre-Trade and 7-Day Post-Trade Rules (described below), any profit must be disgorged to charity.

3.2. 7-Day Pre-Trade Rule (Portfolio Managers and Analysts)

3.2(a) Portfolio Managers: (i) Before a portfolio manager places an order to buy a security for any Putnam client portfolio that he manages, he must sell that security or related derivative security if he has purchased it in his personal account within the preceding seven calendar days; or (ii) upon entering an order to sell a security for any Putnam client portfolio that he manages, he must disgorge to charity any losses avoided if he sold the security in his personal account within the preceding seven calendar days. Disgorgements will be measured by the difference between the selling price for the personal account and the selling price for the client account, multiplied by the number of shares sold for the personal account.

3.2(b) Analysts: (i) Before an analyst makes a purchase or an outperform recommendation for a security (including designation of a security for inclusion in the portfolio of Putnam Research Fund), he must sell that security or related derivative security if he has purchased it in his personal account within the preceding seven calendar days; or (ii) upon making a sell or an underperform recommendation for a security (including designation of a security for sale from the portfolio of Putnam Research Fund), he must disgorge to charity any losses avoided if he sold the security in his personal account within the preceding seven calendar days. Disgorgements will be measured by the difference between the selling price for the personal account and the price at the time that the recommendation is made, multiplied by the number of shares sold for the personal account.

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3.3. 7-Day Post-Trade Rule (Portfolio Managers and Analysts)

3.3(a) Portfolio Managers: No portfolio manager shall: (i) sell any security or related derivative security for her personal account until seven calendar days have elapsed after the date of the most recent purchase of that security or related derivative security by any Putnam client portfolio she manages or co-manages; or (ii) purchase any security or related derivative security for her personal account until seven calendar days have elapsed after the date of the most recent sale of that security or related derivative security from any Putnam client portfolio that she manages or co-manages.

3.3(b) Analysts: No analyst shall: (i) sell any security or related derivative security for his personal account until seven calendar days have elapsed after the date of his most recent buy or outperform recommendation for that security or related derivative security (including designation of a security for inclusion in the portfolio of Putnam Research Fund); or (ii) purchase any security or related derivative security for his personal account until seven calendar days have elapsed after the date of his most recent sell or underperform recommendation for that security or related derivative security (including the removal of a security from the portfolio of Putnam Research Fund).

3.4. Contra-Trading Rule (Portfolio Managers and Team Leaders)

3.4(a) Portfolio Managers: No portfolio manager shall, without prior clearance and written approval, sell in his personal account any securities or related derivative securities that are held in any Putnam client portfolio that he manages or co-manages (see Appendix A for the Contra-Trading Rule Clearance Form).

3.4(b) Team Leaders: No Team Leader within the Investment Division shall, without prior clearance and written approval, sell in his personal account any securities or related derivative securities that are held in any Putnam client portfolio managed in his team (see Appendix A for the Contra-Trading Rule Clearance Form).

3.5. No Personal Benefit (Portfolio Managers and Analysts)

No portfolio manager shall cause, and no analyst shall recommend, an action that would cause a Putnam client to take action for the portfolio manager's or analyst's own personal benefit. A portfolio manager who trades in, or an analyst who recommends, particular securities for a Putnam client account in order to support the price of securities in his personal account, or who "front runs" a Putnam client order, is in violation of this Rule.

Section 4 – Reporting Requirements

4.1. Brokerage/Securities Accounts – Initial and Annual Requirements

All employees (on their own behalf and on behalf of their Immediate Family members) are required to report the existence of any accounts which have the capability of purchasing any securities. This Rule includes all brokerage accounts, accounts held directly at an issuer's transfer agent, and securities held in physical certificate form by an employee or any Immediate Family member of the employee. The only investment accounts excluded from this rule are accounts that are only permitted to hold open-end mutual funds (other than Putnam open-end funds) and no other investments.

To satisfy this requirement, a new employee must enter the requested information in the Code of Ethics PTA system within the required time frame below:

Access Persons – within 10 days of hire

Non-access Persons – within 30 days of hire

Existing employees opening a new account (including accounts being opened for Immediate Family members) must disclose them in the system in advance of the first personal securities transaction in the account.

All employees will be required to certify annually that all accounts requiring disclosure are accurately listed in the Code of Ethics PTA system.

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4.2. Separate Provisions for Brokerage/Securities Accounts That Are Professionally Managed (Discretionary) Accounts – Initial and Annual Requirements

If you wish to establish a professionally managed or discretionary account (including professionally managed or discretionary accounts being opened for Immediate Family members), where you completely turn over decision-making authority to a professional money manager who is not subject to this Code, you must disclose the existence of the account and receive approval from the Code of Ethics staff in advance of the first personal securities transaction. You do not need to pre-clear or report securities transactions in these accounts. Please note a discretionary account may not purchase an IPO or hold Putnam open-end mutual funds.

The broker or advisor maintaining discretion over the account may not be a family member of the Putnam employee.

In order for the account to be considered discretionary, the employee must:

1. Complete an initial certification (as well as annual certifications each year) in which both the employee and the broker/ advisor certify that the Putnam employee does not participate in investment decisions on the account; and
2. Ensure that copies of broker statements are delivered to Putnam Investments.

4.3. Account Confirmations and Statements

All employees are required to ensure that copies of all confirmations and statements are delivered to Putnam for all accounts described in Section 4.1 above, and to ensure that copies of all statements (but not confirmations) are delivered to Putnam for all discretionary accounts described in Section 4.2. When the employee discloses the account as required, the Code of Ethics staff will issue a 407 letter, or other communication to the entity where the employee's account is held, requesting that confirmations and statements be sent to Putnam on the employee's behalf. However, it is ultimately the employee's responsibility to ensure his or her broker has complied with this request.

If it is discovered these reports are not being delivered to Putnam, the Code of Ethics staff will bring this issue to the employee's attention and request he or she assist in rectifying the issue. If it is determined that a broker has failed to comply with requests to deliver these reports, Putnam reserves the right to require the employee to close the account within

30 days by transferring the account to another dealer willing to comply with this requirement (any trades as a result of a transfer must be pre-cleared).

Section 5 – Additional Reporting, Certification, and Training Requirements

5.1. Initial/Annual Holdings Report – Access Persons Only

Access Persons must disclose their securities holdings, including all holdings for Immediate Family member accounts, within 10 days of hire (or within 10 days of becoming an Access Person) and then on an annual basis thereafter (within 45 days after the end of the year). The report of securities holdings must include all securities that require pre-clearance under Section 1.1, as well as holdings in non-U.S. sovereign government debt, ETFs, ETNs, ETCs, options, futures and other derivative securities, and holdings of Putnam open-end U.S. mutual funds not held through a Putnam account and U.S. registered mutual funds to which Putnam acts as advisor or sub-advisor (see Section 4).

5.2. Quarterly Transaction Report – Access Persons Only

Access Persons must disclose and certify all of their personal securities transactions, including transactions for Immediate Family member accounts, within 20 calendar days following the end of each quarter. In addition to the securities requiring pre-clearance under Section 1.1, Access Persons are also required to disclose and certify all personal transactions in non-U.S. sovereign government debt, as well as ETFs, ETNs, ETCs, options, futures, and other derivative securities, not just those requiring pre-clearance.

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5.3. Annual Certification – All Employees

Each calendar year, all employees will be required to certify that they have reviewed and understand the rules and requirements of the Code and that the list of brokerage accounts (for the employee and all Immediate Family members) disclosed in the Code of Ethics PTA system is accurate. An e-mail notification will be sent informing employees of their requirement and the due date.

5.4. Training Requirements – All Employees

As deemed necessary by the Code of Ethics staff, employees will be required to complete training on Putnam's Code of Ethics. E-mail notifications will be sent notifying employees of the requirements and the due date.

5.5. Maintenance and Distribution of the Code of Ethics

When revisions are made to the Code of Ethics, all employees will receive a revised version of the Code. The Code will be available to all employees on Putnam's intranet site. Hard copies may be requested by contacting the Code of Ethics staff.

5.6. Procedures and Timeliness

The certifications and reports required by the Code are completed in the Code of Ethics PTA system. There are strict deadlines for these filings. Planned absences, vacations, and business trips are not valid excuses for failing to meet a deadline. Employees will receive instructions regarding these submissions and the due dates. Please contact the Code of Ethics staff for assistance.

Section 6 – General Ethics Rules for All Employees

Putnam employees are expected to act ethically at all times in connection with their employment. In addition to complying with the specific provisions of this section, employees should contact the Code of Ethics staff or the Ombudsman if they are not sure how to proceed in any circumstances involving ethical issues or questions.

6.1. Outside Business Activities

No Putnam employee shall serve as employee, officer, director, trustee, or general partner of a corporation or entity other than Putnam, without prior written approval of the Code of Ethics Officer, who may also confirm that the employee's manager has approved such outside position. Requests for a role at a publicly traded company are especially disfavored and are closely reviewed. Permission will be granted only in extenuating circumstances.

All employees must provide a written request seeking approval from the Code of Ethics Officer by entering the details of the proposed position in the Code of Ethics PTA system. Employees may not engage in any outside employment activity until they receive an e-mail approving their request. Employees hired at Putnam with an outside position must disclose the position upon hire in the system and may be required to resign such position if the position presents conflicts of interest or other issues.

FINRA-licensed employees under PRM also have an obligation to disclose outside positions to, and receive approval from the PRM Compliance Department. Employees must also keep this information accurate by updating their profile in the Code of Ethics system and updating the PRM Compliance Department if they change or terminate a position previously approved.

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6.2. Charitable or Non-profit Roles/Role as Trustee or Fiduciary Outside Putnam Investments

6.2(a) An employee may serve as a volunteer, officer, director, or trustee of a charitable or not-for-profit institution, provided that the employee abides by the Code of Ethics with respect to any investment activity for which she has any discretion or input as a volunteer, officer, director, or trustee. The pre-clearance and reporting requirements of the Code of Ethics do not apply to the trading activities of such charitable or not-for-profit institutions for which an employee serves as a volunteer, officer, director, or trustee unless the employee has discretion for the account. You must contact the Code of Ethics staff if you are asked to serve in a role in which you may have discretion, investment, or financial authority for a charitable or not-for-profit institution to discuss whether such position is permissible and whether you must perform any additional actions prior to serving in such role.

6.2(b) Except as stated below, no Putnam employee shall serve as a trustee, an executor, a custodian, or any other fiduciary, or as an investment advisor or a counselor for any account outside Putnam.

Putnam employees may serve as a fiduciary with respect to a religious or charitable trust or foundation, provided that the employee abides by the Code of Ethics with respect to any investment activity for which she has any discretion or input. The pre-clearance and reporting requirements of the Code of Ethics apply to the trading activities of such a religious or charitable trust or foundation if the employee has discretion for the account.

6.2(c) *Family Trust or Estate Exception.* Putnam employees may serve as a fiduciary with respect to a family trust or estate, as long as the employee abides by all of the Rules of the Code of Ethics with respect to any investment activity over which he has any discretion.

6.3. Family Members' Conflict Policy

No employee or member of an employee's Immediate Family shall have any direct or indirect personal financial interests in companies that do business with Putnam, unless such interest is disclosed and approved by the Code of Ethics Officer.

6.3(a) Corporate Purchase of Goods and Services – Putnam will not acquire goods and services from any firm in which a member of an employee's Immediate Family serves as a sales representative or in a senior management capacity, or has an ownership interest (excluding normal investment holdings in public companies), unless permission is obtained from the Assistant Treasurer and the Code of Ethics Officer. Any employee who is aware of a proposal to purchase goods and services from a firm with which a member of the employee's Immediate Family has one of these associations must notify the Assistant Treasurer and the Code of Ethics Officer.

6.3(b) Portfolio Trading - Putnam will not allocate any client trades to any firm that employs a member of an employee's Immediate Family as a sales representative to Putnam (in a primary, secondary, or backup role). Any Putnam employee who is aware that an Immediate Family member serves as a broker-dealer's sales representative to Putnam should inform the Code of Ethics Officer.

6.3(c) Definition of Immediate Family (specific to this rule) - "Immediate Family" of an employee means (1) spouse, fiancé(e), or domestic partner of the employee, (2) any child, sibling, or parent of an employee and any person married to a child, sibling or parent of an employee, and (3) any other person who lives in the same household as the employee.

6.4. CFA Institute Code of Ethics and Standards of Professional Conduct

All members of the Investment Division and any other CFA Institute Members or Candidates must follow and abide by the spirit of the Code of Ethics and the Standards of Professional Conduct of the CFA Institute. The text of the CFA Institute Code of Ethics and Standards of Professional Conduct can be found on the Putnam Compliance Department intranet home page, which is accessible from the Putnam intranet home page. The terms of Putnam's Code of Ethics shall govern in any case where there is a conflict between the terms of this Code and the CFA Institute Code of Ethics and Standards of Professional Conduct. Please contact the Code of Ethics Officer with any questions.

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6.5. Business Ethics, Ombudsman, and Hotlines

6.5(a) If a Putnam employee suspects that fraudulent, illegal, or other irregular activity (including violations of the Code of Ethics) might be occurring at Putnam, the activity should be reported immediately to Putnam's Controller, Chief Compliance Officer or Code of Ethics Officer, through the Ombudsman or hotlines described below or through Putnam's Human Resources department.

6.5(b) Putnam has established the office of the corporate ombudsman as a resource to help employees address legal or ethical issues in the workplace and to allow employees to voice concerns or seek clarity on issues. The Ombudsman provides a confidential, independent, and impartial source to employees to discuss potential violations of law or of company standards without fear of retribution, and serves as a neutral party with no vested interest in a particular outcome.

6.5(c) An employee who does not feel comfortable reporting activity in the manner described in 6.5(a) above may instead contact any of the following on an anonymous basis:

The Putnam Ethics hotline at 1-888-475-4210,

The Putnam Funds Trustees' hotline at 1-866-858-4155, or

Putnam's Ombudsman at 1-866-ombuds7 (866-662-8377).

Section 7 – Material, Non-Public Information and Insider Trading

7.1. Material, Public Information and Insider Trading

Antifraud provisions of the U.S. securities laws as well as the laws of other countries generally prohibit persons who possess material, non-public information from trading on or communicating that information to others. Putnam's policy calls for strict compliance with such laws. Unlawful trading while in possession of material, non-public information is a very serious matter and can be a crime punishable by imprisonment. There is also significant monetary liability for an inside trader, which can include liability to private plaintiffs and/or the Securities and Exchange Commission, which can seek a court order requiring a violator to pay back profits, as well as penalties substantially greater than those profits. In certain cases, controlling persons of inside traders, including supervisors of inside traders or Putnam itself, can be liable for penalties.

Employees found to have conducted this activity will be immediately referred to the Code of Ethics Oversight Committee or Putnam's Chief Executive Officer to determine the appropriate sanction, up to and including termination.

While employees in the Investment Division are most likely to come into contact with material, non-public information, the rules (and sanctions) in this area apply to all Putnam employees (see Section 7.2 for information on what to do if you believe you may have material, non-public information).

7.2. Reporting and Restrictions

Any employee who believes he or she is (or may be) in possession of material, non-public information must immediately contact Putnam's Code of Ethics Officer or an attorney in Putnam's Legal Department, and provide details on the information received and the source. The employee must also take precautions to maintain the confidentiality of the information in question.

After reviewing the facts and circumstances, Putnam's Code of Ethics Officer or Putnam's Legal Department will make a determination as to whether possession of the information warrants restricting trading activity in the issuer's securities for client accounts as well as personal securities transactions for employees.

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7.3. Special Provisions Applicable to Putnam Affiliates

Any employee wishing to place a trade in the securities of Great-West Lifeco Inc., Power Financial Corporation, Power Corporation of Canada, or IGM Financial Inc. must contact the Code of Ethics Officer or the Deputy Code of Ethics Officer to request manual approval of the pre-clearance request. An employee requesting such approval must certify that he or she is not in possession of any material, non-public information regarding the company in which he or she is seeking to place a trade. The decision whether or not to grant the pre-clearance request is in the sole discretion of the Code of Ethics Officer and the Deputy Code of Ethics Officer. The Code of Ethics Officer and Deputy Code of Ethics Officer will reject any such request for pre-clearance made by members of Putnam's Operating Committee and certain members of the Chief Financial Officer's staff from the end of each calendar quarter to the date of announcement of Great-West Lifeco Inc.'s earnings for such quarter.

7.4. PIL Employees

For PIL employees, these topics are covered by the FSA's Market Abuse rules. PIL employees receive information on this topic in their annual instructor-led code of ethics and compliance training.

Section 8 – Sanctions

The Code of Ethics Oversight Committee has adopted the following minimum monetary sanctions for violations of the Code. These sanctions apply even if the exception results from inadvertence rather than intentional misbehavior. The Code of Ethics Oversight Committee will review and approve sanctions on employees. However, the sanctions noted below are only minimums, and the Committee reserves the right to impose sanctions it believes fit the circumstances, such as higher monetary sanctions, trading bans, suspension, or termination of employment. The Committee's belief that an employee has violated the Code of Ethics intentionally may result in more severe sanctions than outlined in the guidelines.

8.1. Sanctions for Violations of Sections 1-3

The minimum sanction per violation of the Rules in Sections 1, 2, or 3 is disgorgement of any profits or payment of avoided losses and the following payments:

Officer level	SMD/MD/SVP	VP/AVP/Non-officer
1st violation	\$250	\$50
2nd violation	\$500	\$100
3rd violation	Minimum monetary sanction as above with ban on all new personal securities transactions	

8.2. Sanctions for Violations of Sections 4-6

The minimum sanction for violations of the rules in Sections 4-6 is as follows:

Officer level	SMD/MD/SVP	VP/AVP/Non-officer
1st violation	Warning	Warning
2nd violation	\$50	\$25
Subsequent violation	\$100	\$50

8.3. Sanctions for Violations of Section 7

All violations concerning the use of material, non-public information, failure to report inside information, or insider trading will be presented to the Code of Ethics Oversight Committee to determine the appropriate sanction, up to and including termination. Severe criminal penalties may also be imposed.

The reference period for determining generally whether a violation is initial or subsequent will be three years.

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Section 9 – Procedures for Determinations and Exemptions

No perceived ambiguity in the Code of Ethics shall excuse any violation. Any employee who has a question concerning the applicability of the Code or believes the Code to be ambiguous in a particular situation should request a determination from the Code of Ethics Officer in advance of the conduct. Employees may also request an exemption from the Code of Ethics if they do so in advance of the conduct or transaction sought to be exempted.

Any employee seeking a determination or exemption shall provide the Code of Ethics Officer with such information as the Code of Ethics Officer deems necessary to render the determination or make a decision on the exemption.

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Appendix A – Contra-Trading Rule Clearance Form

To: Code of Ethics Officer

From:

Date:

Re: Sale of Personal Security

This serves as prior written approval to sell the following personal security:

Name of portfolio manager contemplating personal sale: _____
Security to be sold: _____
Number of shares to be sold: _____
Fund(s) holding security: _____
Number of shares held by fund: _____
Reason for the personal sale: _____
Specify the reason why the sale is inappropriate for fund: (Please attach additional sheets if necessary.) _____

CIO approval: _____ Date: _____
Code of Ethics Officer: _____
Deputy Code of Ethics Officer approval: _____ Date: _____

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THE PUTNAM FUNDS

Code of Ethics

Each of The Putnam Funds (the "Funds") has determined to adopt this Code of Ethics with respect to certain activities by officers and Trustees of the Funds which might be deemed to create possible conflicts of interest and to establish reporting requirements and enforcement procedures with respect to such activities.

I. Rules Applicable to Officers and Trustees Affiliated with Putnam Investments Trust or Its Subsidiaries

A. Incorporation of Adviser's Code of Ethics. The provisions of the Code of Ethics for employees of Putnam Investments Trust and its subsidiaries (the "Putnam Investments Code of Ethics"), which is attached as Appendix A hereto, are hereby incorporated herein as the Funds' Code of Ethics applicable to officers and Trustees of the Funds who are employees of the Funds or officers, directors or employees of Putnam Investments Trust or its subsidiaries. A violation of the Putnam Investments' Code of Ethics shall constitute a violation of the Funds' Code.

B. Reports. Officers and Trustees of each of the Funds who are made subject to the Putnam Investments' Code of Ethics pursuant to the preceding paragraph shall file the reports required by the Putnam Investments' Code of Ethics with the Code of Ethics Officer designated therein. A report filed with the Code of Ethics Officer shall be deemed to be filed with each of the Funds of which the reporting individual is an officer or Trustee.

C. Review and Reporting.

(1) The Code of Ethics Officer shall cause the reported personal securities transactions to be compared with completed and contemplated portfolio transactions of each of the Funds to determine whether a violation of this Code may have occurred. Before making any determination that a violation has been committed by any person, the Code of Ethics Officer shall give such person an opportunity to supply additional explanatory material.

(2) If the Code of Ethics Officer determines that a violation of any provision of this Code has or may have occurred, he shall submit his written determination, together with any additional explanatory material, to the Audit and Compliance Committee of the Funds at its next meeting when Code of Ethics matters are discussed.

D. Sanctions. In addition to reporting violations of this Code to the Audit and Compliance Committee of the Funds as provided in Section I-C(2), the Code of Ethics Officer shall also report to such Committee any sanctions imposed with

respect to such violations. The Committee reserves the right to impose such additional sanctions as it deems appropriate.

II. Rules Applicable to Unaffiliated Trustees

A. Definitions.

(1) "Beneficial ownership" shall be interpreted in the same manner as it would be in determining whether a person is subject to the provisions of Section 16 of the Securities Exchange Act of 1934 and the rules and regulations thereunder.

(2) "Control" means the power to exercise a controlling influence over the management or policies of a company, unless such power is solely the result of an official position with such company.

(3) "Covered Person" means an affiliated person of the Fund, who is not made subject to the Putnam Investments Code of Ethics pursuant to Part I hereof.

(4) "Interested Trustee" means a Trustee of a Fund who is an "interested person" of the Fund within the meaning of the Investment Company Act of 1940, as amended (the "Investment Company Act").

(5) "Purchase or sale of a security" includes, among other things, the writing of an option to purchase or sell a security.

(6) "Security" shall have the same meaning as that set forth in Section 2(a)(36) of the Investment Company Act (in effect, all securities) except that it shall not include securities issued by the Government of the United States or an agency thereof, bankers' acceptances, bank certificates of deposit, commercial paper and high-quality short-term debt investments, including repurchase agreements, and shares of registered open-end investment companies, but shall include any security convertible into or exchangeable for a security.

(7) "Security Held or to be Acquired by a Fund" means: (i) any security, as defined herein, which, within the most recent 15 days: (A) is or has been held by the Fund, or (B) is being or has been considered by the Fund or Putnam Investments for purchase by the Fund, and (ii) any option to purchase or sell, and any security convertible into or exchangeable for, a security described in (i) above.

(8) "Unaffiliated Trustee" means a Trustee who is not made subject to the Putnam Investments Code of Ethics pursuant to Part I hereof.

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B. Prohibited Actions. No Covered Person, in connection with the purchase or sale, directly or indirectly, by such Covered Person of a security held or to be acquired by the Fund, shall:

- (1) Employ any device, scheme or artifice to defraud the Fund;
- (2) Make any untrue statement of a material fact to the Fund or omit to state a material fact necessary in order to make the statements made to the Fund, in light of the circumstances under which they are made, not misleading;
- (3) Engage in any act, practice or course of business that operates or would operate as a fraud or deceit on the Fund; or
- (4) Engage in any manipulative practice with respect to the Fund.

C. Reporting.

(1) Every Unaffiliated Trustee of a Fund shall file with the Funds' Compliance Liaison a report containing the information described in Section II-C(2) of this Code with respect to purchases or sales of any security in which such Unaffiliated Trustee has, or by reason of such transaction acquires, any direct or indirect beneficial ownership, if such Trustee, at the time of that transaction, knew or, in the ordinary course of fulfilling his official duties as a Trustee of the Fund, should have known that, during the 15-day period immediately preceding or after the date of the transaction by the Trustee:

- (a) such security was or is to be purchased or sold by the Fund or
 - (b) such security was or is being considered for purchase or sale by the Fund;
- provided, however, that an Unaffiliated Trustee shall not be required to make a report with respect to transactions effected for any account over which such person does not have any direct or indirect influence or control.

(2) Every report shall be made not later than 10 days after the end of the calendar quarter in which the transaction to which the report relates was effected, and shall contain the following information:

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(a) The date of the transaction, the title, the number of shares, the interest rate and maturity date (if applicable) and the principal amount of each security involved;

(b) The nature of the transaction (i.e., purchase, sale or any other type of acquisition or disposition);

(c) The price at which the transaction was effected;

(d) The name of the broker, dealer or bank with or through whom the transaction was effected; and

(e) the date that the report is submitted by each Unaffiliated Trustee.

(3) Any such report may contain a statement that the report shall not be construed as an admission by the person making such report that he has any direct or indirect beneficial ownership in the security to which the report relates.

(4) Notwithstanding anything to the contrary contained herein, an Unaffiliated Trustee who is an "interested person" of the Funds shall file the reports required by Rule 17j-1(d)(1) under the Investment Company Act with the Code of Ethics Officer of Putnam Investments. Such reports shall be reviewed by such Officer as provided in Section I-D(1) and any related violations shall be reported by him to the Audit and Compliance Committee as provided in Section I-C(2). The Committee may impose such additional sanctions as it deems appropriate.

D. Review and Reporting.

(1) The Compliance Liaison of the Funds, in consultation with the Code of Ethics Officer of Putnam Investments, shall cause the reported personal securities transactions that he receives pursuant to Section II-C(1) to be

compared with completed and contemplated portfolio transactions of the Funds to determine whether any prohibited action listed in Section II-B may have occurred.

(2) Before making any determination that a violation of this Code has occurred, the Compliance Liaison shall give the person involved an opportunity to supply additional information regarding the transaction in question.

E. Sanctions. If the Compliance Liaison determines that a violation of this Code has occurred, he shall so advise the Funds' Audit and Compliance Committee, and provide the Committee with a report of the matter, including any additional information supplied by such person. The Committee may impose such sanctions as it deems appropriate.

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III. Miscellaneous

A. Amendments to the Putnam Investments' Code of Ethics. Any amendment to the Putnam Investments' Code of Ethics shall be deemed an amendment to Section 1-A of this Code effective 30 days after written notice of such amendment shall have been received by the Chairman of the Funds, unless the Trustees of the Funds expressly determine that such amendment shall become effective at an earlier or later date or shall not be adopted.

B. Records. The Funds shall maintain records in the manner and to the extent set forth below, which records may be maintained on microfilm under the conditions described in Rule 31a-2(f)(1) under the Investment Company Act and shall be available for examination by representatives of the Securities and Exchange Commission.

(1) A copy of this Code and any other code which is, or at any time within the past five years has been, in effect shall be preserved in an easily accessible place;

(2) A record of any violation of this Code and of any action taken as a result of such violation shall be preserved in an easily accessible place for a period of not less than five years following the end of the fiscal year in which the violation occurs;

(3) A copy of each report made by an officer or Trustee pursuant to this Code shall be preserved for a period of not less than five years from the end of the fiscal year in which it is made, the first two years in an easily accessible place;

(4) A list of all persons who are, or within the past five years have been, required to make reports pursuant to this Code shall be maintained in an easily accessible place; and

(5) To the extent any record required to be kept by this section is also required to be kept by Putnam Investments pursuant to the Putnam Investments' Code of Ethics, Putnam Investments shall maintain such record on behalf of the Funds as well.

C. Confidentiality. All reports of securities transactions and any other information filed with any Fund pursuant to this Code shall be treated as confidential, but are subject to review as provided herein and by personnel of the Securities and Exchange Commission.

D. Interpretation of Provisions. The Trustees may from time to time adopt such interpretations of this Code as they deem appropriate.

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E. Delegation by Chairman. The Chairman of the Funds may from time to time delegate any or all of his responsibilities under this Code, either generally or as to specific instances, to such officer or Trustee of the Funds as he may designate.

As revised

September 11, 2009

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