

PUTNAM PREMIER INCOME TRUST
Form N-Q
December 28, 2012

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

FORM N-Q

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

Investment Company Act file number:	(811-05452)
Exact name of registrant as specified in charter:	Putnam Premier Income Trust
Address of principal executive offices:	One Post Office Square, Boston, Massachusetts 02109
Name and address of agent for service:	Robert T. Burns, Vice President One Post Office Square Boston, Massachusetts 02109
Copy to:	John W. Gerstmayr, Esq. Ropes & Gray LLP 800 Boylston Street Boston, Massachusetts 02199-3600
Registrant's telephone number, including area code:	(617) 292-1000
Date of fiscal year end:	July 31, 2013
Date of reporting period:	October 31, 2012

Item 1. Schedule of Investments:

Putnam Premier Income Trust

The fund's portfolio
10/31/12 (Unaudited)

MORTGAGE-BACKED SECURITIES (48.6%)(a)

Principal
amount Value

FORWARD CURRENCY CONTRACTS at 10/31/12 (aggregate face value \$346,330,419) (Unaudited)

Counterparty	Currency	Contract type	Delivery date	Value	Aggregate face value	Unrealized appreciation/ (depreciation)
Barclays Bank PLC						
	Australian Dollar	Buy	11/21/12	\$3,972,872	\$3,951,906	\$20,966
	Brazilian Real	Buy	11/21/12	1,142,489	1,136,744	5,745
	British Pound	Sell	11/21/12	10,345,885	10,322,889	(22,996)
	Canadian Dollar	Sell	11/21/12	4,100,736	4,155,778	55,042
	Chilean Peso	Sell	11/21/12	361,595	366,266	4,671
	Euro	Sell	11/21/12	4,420,341	4,375,403	(44,938)
	Indonesian Rupiah	Sell	11/21/12	1,234,726	1,228,130	(6,596)
	Japanese Yen	Sell	11/21/12	7,512,752	7,636,096	123,344
	Malaysian Ringgit	Sell	11/21/12	3,180	3,172	(8)
	Mexican Peso	Buy	11/21/12	1,709,648	1,745,253	(35,605)
	New Zealand Dollar	Sell	11/21/12	1,769,474	1,777,299	7,825
	Polish Zloty	Buy	11/21/12	1,763,766	1,783,332	(19,566)
	Singapore Dollar	Sell	11/21/12	1,132,048	1,122,665	(9,383)
	South African Rand	Buy	11/21/12	626,189	620,840	5,349
	South African Rand	Sell	11/21/12	626,189	645,575	19,386
	South Korean Won	Buy	11/21/12	452,422	443,113	9,309
	Swedish Krona	Sell	11/21/12	2,172,529	2,155,677	(16,852)
	Taiwan Dollar	Buy	11/21/12	1,238,819	1,242,180	(3,361)
	Turkish Lira	Buy	11/21/12	1,374,500	1,371,115	3,385
Citibank, N.A.						
	Australian Dollar	Buy	11/21/12	6,334,725	6,322,554	12,171
	Brazilian Real	Buy	11/21/12	1,250,223	1,245,233	4,990

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Brazilian Real	Sell	11/21/12	1,250,223	1,250,688	465
British Pound	Sell	11/21/12	7,775,187	7,765,856	(9,331)
Canadian Dollar	Sell	11/21/12	2,030,726	2,064,678	33,952
Euro	Buy	11/21/12	8,247,467	8,232,295	15,172
Euro	Sell	11/21/12	8,247,467	8,217,668	(29,799)
Japanese Yen	Sell	11/21/12	6,454,174	6,607,151	152,977
South Korean Won	Buy	11/21/12	254,597	249,527	5,070
Taiwan Dollar	Buy	11/21/12	220,497	225,629	(5,132)
Turkish Lira	Buy	11/21/12	804,490	832,618	(28,128)
Credit Suisse AG					
Australian Dollar	Buy	11/21/12	8,134,696	8,094,164	40,532
Brazilian Real	Buy	11/21/12	571,883	568,083	3,800
British Pound	Sell	11/21/12	4,550,479	4,533,347	(17,132)
Canadian Dollar	Sell	11/21/12	6,739,629	6,822,301	82,672
Chilean Peso	Sell	11/21/12	553,541	559,928	6,387
Euro	Sell	11/21/12	3,779,419	3,737,645	(41,774)
Indonesian Rupiah	Sell	11/21/12	1,234,726	1,228,130	(6,596)
Mexican Peso	Buy	11/21/12	1,240,365	1,263,273	(22,908)
New Zealand Dollar	Sell	11/21/12	1,898,024	1,911,457	13,433
Philippines Peso	Buy	11/21/12	1,906,068	1,887,877	18,191
Polish Zloty	Buy	11/21/12	1,234,918	1,240,555	(5,637)
South African Rand	Buy	11/21/12	625,971	620,652	5,319
South African Rand	Sell	11/21/12	625,971	627,138	1,167
South Korean Won	Buy	11/21/12	1,548,768	1,516,085	32,683
Swedish Krona	Sell	11/21/12	2,265,423	2,245,427	(19,996)
Swiss Franc	Sell	11/21/12	693,206	690,541	(2,665)
Taiwan Dollar	Buy	11/21/12	390,747	395,592	(4,845)
Turkish Lira	Buy	11/21/12	2,598,429	2,583,906	14,523
Deutsche Bank AG					
Australian Dollar	Sell	11/21/12	1,309,607	1,323,760	14,153
Brazilian Real	Buy	11/21/12	610,693	604,202	6,491
British Pound	Sell	11/21/12	6,277,563	6,279,897	2,334
Canadian Dollar	Sell	11/21/12	4,158,735	4,227,483	68,748
Euro	Sell	11/21/12	3,823,496	3,795,898	(27,598)
Mexican Peso	Buy	11/21/12	2,859	2,908	(49)
Norwegian Krone	Buy	11/21/12	2,105,140	2,108,051	(2,911)
Polish Zloty	Buy	11/21/12	1,089,396	1,092,544	(3,148)
Singapore Dollar	Sell	11/21/12	533,929	529,512	(4,417)
South Korean Won	Buy	11/21/12	410,823	402,370	8,453
Swedish Krona	Buy	11/21/12	2,201,038	2,211,600	(10,562)
Swedish Krona	Sell	11/21/12	2,201,038	2,198,539	(2,499)
Swiss Franc	Buy	11/21/12	1,396	1,385	11
Turkish Lira	Buy	11/21/12	768,489	766,158	2,331
Goldman Sachs International					
Japanese Yen	Sell	11/21/12	151,062	154,628	3,566
Singapore Dollar	Buy	11/21/12	534,995	537,009	(2,014)
Singapore Dollar	Sell	11/21/12	537,618	533,322	(4,296)
South Korean Won	Buy	11/21/12	48,382	47,344	1,038
HSBC Bank USA, National Association					
Australian Dollar	Buy	11/21/12	7,567,970	7,546,128	21,842
British Pound	Sell	11/21/12	4,926,926	4,916,963	(9,963)
Canadian Dollar	Sell	11/21/12	2,052,545	2,062,256	9,711
Euro	Buy	11/21/12	4,772,953	4,762,743	10,210
Indian Rupee	Buy	11/21/12	85,964	87,835	(1,871)
Japanese Yen	Buy	11/21/12	3,061,293	3,133,851	(72,558)
Norwegian Krone	Sell	11/21/12	2,098,935	2,073,343	(25,592)
Russian Ruble	Buy	11/21/12	2,460,604	2,482,307	(21,703)
South Korean Won	Buy	11/21/12	756,251	739,928	16,323
Swiss Franc	Buy	11/21/12	1,015,320	1,008,600	6,720
Turkish Lira	Buy	11/21/12	2,412,470	2,408,667	3,803
JPMorgan Chase Bank, N.A.					
Australian Dollar	Sell	11/21/12	80,846	93,498	12,652

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Brazilian Real	Buy	11/21/12	1,161,107	1,155,499	5,608
British Pound	Buy	11/21/12	4,774,776	4,793,288	(18,512)
Canadian Dollar	Sell	11/21/12	2,050,243	2,074,640	24,397
Chilean Peso	Buy	11/21/12	238,288	240,961	(2,673)
Euro	Buy	11/21/12	678,646	693,039	(14,393)
Japanese Yen	Sell	11/21/12	2,586,268	2,638,976	52,708
Mexican Peso	Buy	11/21/12	1,238,291	1,265,149	(26,858)
New Zealand Dollar	Sell	11/21/12	1,872,232	1,881,676	9,444
Norwegian Krone	Buy	11/21/12	6,340,799	6,348,956	(8,157)
Peruvian New Sol	Buy	11/21/12	2,462,229	2,470,277	(8,048)
Peruvian New Sol	Sell	11/21/12	2,462,229	2,448,589	(13,640)
Polish Zloty	Buy	11/21/12	1,799,592	1,820,072	(20,480)
Russian Ruble	Buy	11/21/12	1,723,826	1,741,748	(17,922)
Singapore Dollar	Sell	11/21/12	190,027	188,489	(1,538)
South African Rand	Buy	11/21/12	626,189	620,833	5,356
South African Rand	Sell	11/21/12	626,189	635,691	9,502
South Korean Won	Buy	11/21/12	556,677	544,783	11,894
Swiss Franc	Buy	11/21/12	2,412,795	2,396,620	16,175
Taiwan Dollar	Buy	11/21/12	745,474	744,797	677
Turkish Lira	Buy	11/21/12	899,139	905,685	(6,546)
Royal Bank of Scotland PLC (The)					
Euro	Buy	11/21/12	11,408	11,364	44
Euro	Sell	11/21/12	11,408	11,331	(77)
South Korean Won	Buy	11/21/12	23,908	23,397	511
State Street Bank and Trust Co.					
Australian Dollar	Buy	11/21/12	4,715,311	4,693,699	21,612
Brazilian Real	Buy	11/21/12	1,945,365	1,941,123	4,242
Brazilian Real	Sell	11/21/12	1,945,365	1,945,897	532
British Pound	Sell	11/21/12	6,697,756	6,669,309	(28,447)
Canadian Dollar	Sell	11/21/12	6,994,645	7,078,898	84,253
Chilean Peso	Buy	11/21/12	49,041	49,785	(744)
Euro	Buy	11/21/12	6,726,832	6,716,501	10,331
Euro	Sell	11/21/12	6,726,832	6,702,061	(24,771)
Indonesian Rupiah	Sell	11/21/12	1,234,726	1,228,257	(6,469)
Japanese Yen	Sell	11/21/12	6,887,519	7,050,857	163,338
Mexican Peso	Buy	11/21/12	1,501,868	1,533,713	(31,845)
New Zealand Dollar	Sell	11/21/12	1,261,434	1,268,335	6,901
Norwegian Krone	Buy	11/21/12	3,952,233	3,976,962	(24,729)
Polish Zloty	Buy	11/21/12	1,538,622	1,558,068	(19,446)
Singapore Dollar	Sell	11/21/12	151,333	141,847	(9,486)
South African Rand	Buy	11/21/12	1,236,000	1,231,706	4,294
South African Rand	Sell	11/21/12	1,236,000	1,261,221	25,221
South Korean Won	Buy	11/21/12	244,505	239,776	4,729
Swedish Krona	Sell	11/21/12	2,047,872	2,033,812	(14,060)
Swiss Franc	Buy	11/21/12	3,160,027	3,138,809	21,218
Taiwan Dollar	Buy	11/21/12	1,267,076	1,266,398	678
Taiwan Dollar	Sell	11/21/12	1,267,076	1,263,358	(3,718)
Thai Baht	Buy	11/21/12	1,875,692	1,872,178	3,514
Turkish Lira	Buy	11/21/12	2,008,666	1,995,536	13,130
UBS AG					
Australian Dollar	Buy	11/21/12	6,949,986	6,924,699	25,287
British Pound	Sell	11/21/12	4,339,414	4,327,494	(11,920)
Canadian Dollar	Sell	11/21/12	3,604,364	3,669,421	65,057
Euro	Buy	11/21/12	303,219	313,281	(10,062)
Indian Rupee	Sell	11/21/12	967,229	992,602	25,373
Japanese Yen	Sell	11/21/12	92,309	94,487	2,178
Mexican Peso	Buy	11/21/12	604,064	614,105	(10,041)
New Zealand Dollar	Sell	11/21/12	1,872,314	1,882,488	10,174
Norwegian Krone	Buy	11/21/12	335,836	342,559	(6,723)
Philippines Peso	Buy	11/21/12	1,906,070	1,887,381	18,689
Russian Ruble	Buy	11/21/12	2,460,604	2,485,086	(24,482)
Singapore Dollar	Sell	11/21/12	1,813,212	1,799,060	(14,152)

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South African Rand	Buy	11/21/12	410,405	411,171	(766)
South African Rand	Sell	11/21/12	410,405	424,046	13,641
Swedish Krona	Sell	11/21/12	2,053,221	2,045,472	(7,749)
Swiss Franc	Sell	11/21/12	7,636,113	7,584,211	(51,902)
Taiwan Dollar	Buy	11/21/12	1,238,819	1,241,966	(3,147)
Thai Baht	Buy	11/21/12	1,875,689	1,872,418	3,271
Turkish Lira	Buy	11/21/12	1,406,495	1,404,340	2,155
WestPac Banking Corp.					
Australian Dollar	Buy	11/21/12	3,784,127	3,772,749	11,378
British Pound	Sell	11/21/12	2,040,938	2,041,786	848
Canadian Dollar	Sell	11/21/12	4,077,966	4,121,550	43,584
Euro	Buy	11/21/12	221,601	248,032	(26,431)
Japanese Yen	Buy	11/21/12	4,594,783	4,727,131	(132,348)
Mexican Peso	Buy	11/21/12	670,978	683,126	(12,148)
Swedish Krona	Sell	11/21/12	152,760	149,632	(3,128)
Total					\$448,869

FUTURES CONTRACTS OUTSTANDING at 10/31/12 (Unaudited)

	Number of contracts	Value	Expiration date	Unrealized appreciation/ (depreciation)
Australian Government Treasury Bond 10 yr (Long)	5	\$650,393	Dec-12	\$2,925
Australian Government Treasury Bond 3 yr (Short)	106	12,099,723	Dec-12	(5,349)
Canadian Government Bond 10 yr (Long)	60	8,234,493	Dec-12	59,805
Euro-Bobl 5 yr (Short)	21	3,424,984	Dec-12	(27,645)
Euro-Swiss Franc 3 Month (Short)	87	23,352,115	Dec-12	(339,486)
Japanese Government Bond 10 yr (Short)	2	3,613,930	Dec-12	(14,292)
Japanese Government Bond 10 yr Mini (Long)	18	3,251,409	Dec-12	12,311
U.K. Gilt 10 yr (Short)	12	2,307,145	Dec-12	31,728
U.S. Treasury Note 10 yr (Short)	1	133,031	Dec-12	(174)
Total				\$(280,177)

**WRITTEN SWAP OPTIONS OUTSTANDING at 10/31/12 (premiums \$2,726,724)
(Unaudited)**

Counterparty	Expiration date/ strike	Contract amount	Value
Fixed Obligation % to receive or (pay)/ Floating rate index/ Maturity date			
Deutsche Bank AG			
(1.75)/3 month USD-LIBOR-BBA/Mar-23 ^(E)	Mar-13/1.75	\$70,824,000	\$952,229
1.75/3 month USD-LIBOR-BBA/Mar-23 ^(E)	Mar-13/1.75	70,824,000	1,494,599
Total			\$2,446,828

**TBA SALE COMMITMENTS OUTSTANDING at 10/31/12 (proceeds receivable
\$79,848,047) (Unaudited)**

Agency	Principal amount	Settlement date	Value
Federal National Mortgage Association, 3s, November 1, 2042	\$74,000,000	11/14/12	\$77,682,655
Government National Mortgage Association, 3s, November 1, 2042	2,000,000	11/20/12	2,130,156
Total			\$79,812,811

INTEREST RATE SWAP CONTRACTS OUTSTANDING at 10/31/12 (Unaudited)

TOTAL RETURN SWAP CONTRACTS OUTSTANDING at 10/31/12 (Unaudited)

CREDIT DEFAULT CONTRACTS OUTSTANDING at 10/31/12 (Unaudited)

Key to holding's currency abbreviations

AUD	Australian Dollar
BRL	Brazilian Real
CAD	Canadian Dollar
CHF	Swiss Franc
CLP	Chilean Peso
EUR	Euro
GBP	British Pound
INR	Indian Rupee
JPY	Japanese Yen
MXN	Mexican Peso
RUB	Russian Ruble
SEK	Swedish Krona

Key to holding's abbreviations

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- ADS American Depository Shares: represents ownership of foreign securities on deposit with a custodian bank
- EMTN Euro Medium Term Notes
- 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
- IFB Inverse Floating Rate Bonds, which are securities that pay interest rates that vary inversely to changes in the market interest rates. As interest rates rise, inverse floaters produce less current income. The rate shown is the current interest rate at the close of the reporting period.
- IO Interest Only
- MTN Medium Term Notes
- OAO Open Joint Stock Company
- OJSC Open Joint Stock Company
- PO Principal Only
- TBA To Be Announced Commitments

Notes to the fund's portfolio

Unless noted otherwise, the notes to the fund's portfolio are for the close of the fund's reporting period, which ran from August 1, 2012 through October 31, 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* and references to "Putnam Management" represent Putnam Investment Management, LLC, the fund's manager, an indirect wholly-owned subsidiary of Putnam Investments, LLC.

- (a) Percentages indicated are based on net assets of \$827,322,377.
- (b) The aggregate identified cost on a tax basis is \$1,135,747,573, resulting in gross unrealized appreciation and depreciation of \$28,454,763 and \$19,404,071, respectively, or net unrealized appreciation of \$9,050,692.
- (NON) Non-income-producing security.
- (STP) The interest rate and date shown parenthetically represent the new interest rate to be paid and the date the fund will begin accruing interest at this rate.
- (PIK) Income may be received in cash or additional securities at the discretion of the issuer.
- (AFF) Affiliated company. The rate quoted in the security description is the annualized 7-day yield of the fund at the close of the reporting period. Transactions during the 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	Purchase cost	Sale proceeds	Investment income	Market value at the end of the reporting period
Putnam Money Market Liquidity Fund *	\$51,748,870	\$264,498,364	\$257,258,695	\$31,139	\$58,988,539

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

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- (SEG)* This security, in part or in entirety, was pledged and segregated with the broker to cover margin requirements for futures contracts at the close of the reporting period.
- (SEGSF)* This security, in part or in entirety, was pledged and segregated with the custodian for collateral on certain derivative contracts at the close of the reporting period.
- (FWC)* Forward commitment, in part or in entirety.
- (c)* Senior loans are exempt from registration under the Securities Act of 1933, as amended, but contain certain restrictions on resale and cannot be sold publicly. These loans pay interest at rates which adjust periodically. The interest rates shown for senior loans are the current interest rates at the close of the reporting period. Senior loans are also subject to mandatory and/or optional prepayment which cannot be predicted. As a result, the remaining maturity may be substantially less than the stated maturity shown. Senior loans are purchased or sold on a when-issued or delayed delivery basis and may be settled a month or more after the trade date, which from time to time can delay the actual investment of available cash balances; interest income is accrued based on the terms of the securities.
- Senior loans can be acquired through an agent, by assignment from another holder of the loan, or as a participation interest in another holder's portion of the loan. When the fund invests in a loan or participation, the fund is subject to the risk that an intermediate participant between the fund and the borrower will fail to meet its obligations to the fund, in addition to the risk that the borrower under the loan may default on its obligations.
- (E)* Extended effective date.
- (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.
- (i)* Security was pledged, or purchased with cash that was pledged, to the fund for collateral on certain derivative contracts.
- (P)* Security was pledged, or purchased with cash that was pledged, to the fund for collateral on certain derivatives contracts. 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 \$276,457,814 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.

Security valuation: Investments for which market quotations are readily available are valued at the last reported sales price on their principal exchange, or official closing price for certain markets, and are classified as Level 1 securities. If no sales are reported — as in the case of some securities traded over-the-counter — a security is valued at its last reported bid price and is generally categorized as a Level 2 security.

Investments in other open-end investment companies (excluding exchange traded funds), which are classified as Level 1 securities, are based on their net asset value. The net asset value of an investment company equals the total value of its assets less its liabilities and divided by the number of its outstanding shares. Shares are only valued as of the close of regular trading on the New York Stock Exchange each day that the exchange is open.

Market quotations are not considered to be readily available for certain debt obligations and other investments; such investments are valued on the basis of valuations furnished by an independent pricing service approved by the Trustees or dealers selected by Putnam Management. Such services or dealers determine valuations for normal institutional-size trading units of such securities using methods based on market transactions for comparable securities and various relationships, generally recognized by institutional traders, between securities (which considers such factors as security prices, yields, maturities and ratings). These securities will generally be categorized as Level 2.

Many securities markets and exchanges outside the U.S. close prior to the close of the New York Stock Exchange and therefore the closing prices for securities in such markets or on such exchanges may not fully reflect events that occur after such close but before the close of the New York Stock Exchange. Accordingly, on certain days, the fund will fair value foreign equity securities taking into account multiple factors including movements in the U.S. securities markets, currency valuations and comparisons to the valuation of American Depository Receipts, exchange-traded funds and futures contracts. These securities, which would generally be classified as Level 1 securities, will be transferred to Level 2 of the fair value hierarchy when they are valued at fair value. The number of days on which fair value prices will be used will depend on market activity and it is possible that fair value prices will be used by the fund to a significant extent. Securities quoted in foreign currencies, if any, are translated into U.S. dollars at the current exchange rate.

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

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

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

Options contracts: The fund used options contracts to hedge duration, convexity, and prepayment risk, to gain exposure to interest rates, to hedge against changes in values of securities it owns, owned or expects to own, and to isolate prepayment risk.

The potential risk to the fund is that the change in value of options contracts may not correspond to the change in value of the hedged instruments. In addition, losses may arise from changes in the value of the underlying instruments if there is an illiquid secondary market for the contracts, if interest or exchange rates move unexpectedly or if the counterparty to the contract is unable to perform. Realized gains and losses on purchased options are included in realized gains and losses on investment securities. If a written call option is exercised, the premium originally received is recorded as an addition to sales proceeds. If a written put option is exercised, the premium originally received is recorded as a reduction to the cost of investments.

Exchange traded options are valued at the last sale price or, if no sales are reported, the last bid price for purchased options and the last ask price for written options. Options traded over-the-counter are valued using prices supplied by dealers. Certain options contracts include premiums that do not settle until the expiration date of the contract.

The fund had an average contract amount of approximately 713,300,000 on purchased options contracts for the reporting period. The fund had an average contract amount of approximately 314,500,000 on written options contracts for the reporting period.

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

The potential risk to the fund is that the change in value of futures contracts may not correspond to the change in value of the hedged instruments. In addition, losses may arise from changes in the value of the underlying instruments if there is an illiquid secondary market for the contracts, if interest or exchange rates move unexpectedly or if the counterparty to the contract is unable to perform. With futures, there is

minimal counterparty credit risk to the fund since futures are exchange traded and the exchange's clearinghouse, as counterparty to all exchange traded futures, guarantees the futures against default. When the contract is closed, the fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.

Futures contracts are valued at the quoted daily settlement prices established by the exchange on which they trade. The fund and the broker agree to exchange an amount of cash equal to the daily fluctuation in the value of the futures contract. Such receipts or payments are known as "variation margin".

The fund had an average number of contracts of approximately 360 futures contracts outstanding for the reporting period.

Forward currency contracts: The fund buys and sells forward currency contracts, which are agreements between two parties to buy and sell currencies at a set price on a future date. These contracts were used to hedge foreign exchange risk and to gain exposure on currency.

The U.S. dollar value of forward currency contracts is determined using current forward currency exchange rates supplied by a quotation service. The market value of the contract will fluctuate with changes in currency exchange rates. The contract is marked to market daily and the change in market value is recorded as an unrealized gain or loss. 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.

The fund had an average contract amount of approximately \$640,100,000 on forward currency contracts for the reporting period.

Total return swap contracts: The fund entered into total return swap contracts, which are arrangements to exchange a market linked return for a periodic payment, both based on a notional principal amount, to hedge sector exposure, to manage exposure to specific sectors or industries, and to gain exposure to specific markets or countries.

To the extent that the total return of the security, index or other financial measure underlying the transaction exceeds or falls short of the offsetting interest rate obligation, the fund will receive a payment from or make a payment to the counterparty. Total return swap contracts are marked to market daily based upon quotations from an independent pricing service or market makers and the change, if any, is recorded as an unrealized gain or loss. Payments received or made are recorded as realized gains or losses. Certain total return swap contracts may include extended effective dates. Payments related to these swap contracts are accrued based on the terms of the contract. The fund could be exposed to credit or market risk due to unfavorable changes in the fluctuation of interest rates or in the price of the underlying security or index, the possibility that there is no liquid market for these agreements or that the counterparty may default on its obligation to perform. The fund's maximum risk of loss from counterparty risk is the fair value of the contract. This risk may be mitigated by having a master netting arrangement between the fund and the counterparty.

Outstanding notional amount on total return swap contracts at the close of the reporting period are indicative of the volume of activity during the reporting period.

Interest rate swap contracts: The fund entered into interest rate swap contracts, which are arrangements between two parties to exchange cash flows based on a notional principal amount, to hedge interest rate risk and to gain exposure on interest rates.

An interest rate swap can be purchased or sold with an upfront premium. An upfront payment received by the fund is recorded as a liability on the fund's books. An upfront payment made by the fund is recorded as an asset on the fund's books. Interest rate swap contracts are marked to market daily based upon quotations from an independent pricing service or market makers and the change, if any, is recorded as an unrealized gain or loss. Payments received or made are recorded as realized gains or losses. Certain interest rate swap contracts may include extended effective dates. Payments related to these swap contracts are accrued based on the terms of the contract. The fund could be exposed to credit or market risk due to unfavorable changes in the fluctuation of interest rates or if the counterparty defaults on its obligation to perform. The fund's maximum risk of loss from counterparty risk is the fair value of the contract. This risk may be mitigated by having a master netting arrangement between the fund and the counterparty.

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Outstanding notional amount on interest rate swap 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 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 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 or paid by the fund are recorded as realized gains or losses. The credit default contracts are marked to market daily based upon quotations from an independent pricing service or market makers and the change, if any, is recorded as an unrealized gain or loss. Upon the occurrence of a credit event, the difference between the par value and market value of the reference obligation, net of any proportional amount of the upfront payment, is recorded as a realized gain or loss.

In addition to bearing the risk that the credit event will occur, the fund could be exposed to market risk due to unfavorable changes in interest rates or in the price of the underlying security or index or the possibility that the fund may be unable to close out its position at the same time or at the same price as if it had purchased the underlying reference obligations. In certain circumstances, the fund may enter into offsetting credit default contracts which would mitigate its risk of loss. The fund's maximum risk of loss from counterparty risk, either as the protection seller or as the protection buyer, is the fair value of the contract. This risk may be mitigated by having a master netting arrangement between the fund and the counterparty. Where the fund is a seller of protection, the maximum potential amount of future payments the fund may be required to make is equal to the notional amount of the relevant credit default contract.

Outstanding notional amount on credit default swap contracts at the close of the reporting period are indicative of the volume of activity during the reporting period.

Master agreements: The fund is a party to ISDA (International 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 posted to the fund which cannot be sold or repledged totaled \$2,213,485 at the close of the reporting period.

Collateral pledged by the fund is segregated by the fund's custodian and identified in the fund's portfolio. Collateral can be in the form of cash or debt securities issued by the U.S. Government or related agencies or other securities as agreed to by the fund and the applicable counterparty. Collateral requirements are determined based on the fund's net position with each counterparty.

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

At the close of the reporting period, the fund had a net liability position of \$2,688,253 on derivative contracts subject to the Master Agreements. Collateral posted by the fund totaled \$689,172.

TBA purchase commitments: The fund may enter into TBA commitments to purchase securities for a fixed unit price at a future date beyond customary settlement time. Although the unit price has been established, the principal value has not been finalized. However, it is anticipated that the amount of the commitments will not significantly differ from the principal amount. The fund holds, and maintains until settlement date, cash or high-grade debt obligations in an amount sufficient to meet the purchase price, or the fund may enter into offsetting contracts for the forward sale of other securities it owns. Income on

the securities will not be earned until settlement date.

TBA purchase commitments may be considered securities themselves, and involve a risk of loss if the value of the security to be purchased declines prior to the settlement date, which risk is in addition to the risk of decline in the value of the fund's other assets. Unsettled TBA purchase commitments are valued at fair value of the underlying securities, according to the procedures described under "Security valuation" above. The contract is marked to market daily and the change in market value is recorded by the fund as an unrealized gain or loss.

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

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

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

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		
Investments in securities:	Level 1	Level 2	Level 3
Common stocks:			
Consumer cyclicals	\$—	\$896	\$15
Health care	15,246	—	—

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Utilities and power	428,835	—	—
Total common stocks	444,081	896	15
Convertible bonds and notes	—	2,162,964	—
Convertible preferred stocks	261,024	594,461	—
Corporate bonds and notes	—	245,180,554	—
Foreign government and agency bonds and notes	—	66,045,866	—
Mortgage-backed securities	—	402,189,987	—
Preferred stocks	—	1,529,917	—
Purchased swap options outstanding	—	5,893,505	—
Senior loans	—	14,618,080	—
U.S. Government and Agency Mortgage Obligations	—	302,720,621	—
U.S. Treasury Obligations	—	427,743	—
Warrants	—	3,686	54,883
Short-term investments	60,525,302	42,144,680	—
	<hr/>	<hr/>	<hr/>
Totals by level	\$61,230,407	\$1,083,512,960	\$54,898

Item 2. Controls and Procedures:

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

(b) Changes in internal control over financial reporting: Not applicable

Item 3. Exhibits:

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

SIGNATURES

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

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Putnam Premier Income Trust

By (Signature and Title):

/s/ Janet C. Smith

Janet C. Smith

Principal Accounting Officer

Date: December 28, 2012

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: December 28, 2012

By (Signature and Title):

/s/ Steven D. Krichmar

Steven D. Krichmar

Principal Financial Officer

Date: December 28, 2012