

PUTNAM INVESTMENT GRADE MUNICIPAL TRUST
Form N-Q
October 30, 2007

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- 05901)

Exact name of registrant as specified in charter: Putnam Investment Grade Municipal Trust

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

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

Copy to: John W. Gerstmayr, Esq.
Ropes & Gray LLP
One International Place
Boston, Massachusetts 02110

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

Date of fiscal year end: November 30, 2007

Date of reporting period: August 31, 2007

Item 1. Schedule of Investments:

Putnam Investment Grade Municipal Trust
The fund's portfolio
8/31/07 (Unaudited)

AMBAC -- AMBAC Indemnity Corporation
COP -- Certificate of Participation
FGIC -- Financial Guaranty Insurance Company
FHA Insd. -- Federal Housing Administration Insured
FHLMC Coll. -- Federal Home Loan Mortgage Corporation Collateralized
FNMA Coll. -- Federal National Mortgage Association Collateralized
FRN -- Floating Rate Notes
FSA -- Financial Security Assurance

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GNMA Coll. -- Government National Mortgage Association Collateralized
 G.O. Bonds -- General Obligation Bonds
 MBIA -- MBIA Insurance Company
 PSFG -- Permanent School Fund Guaranteed
 Radian Insd. -- Radian Group Insured
 U.S. Govt. Coll. -- U.S. Government Collateralized
 VRDN -- Variable Rate Demand Notes
 XLCA -- XL Capital Assurance

MUNICIPAL BONDS AND NOTES (172.5%)(a)

| | Rating(RAT) | Principal amount | Value |
|--|-------------|------------------|------------------|
| Alabama (0.2%) | | | |
| Sylacauga, Hlth. Care Auth. Rev. Bonds (Coosa Valley Med. Ctr.), Ser. A, 6s, 8/1/25 | B/P | \$400,000 | \$403,728 |
| Arizona (3.2%) | | | |
| AZ Hlth. Fac. Auth. Rev. Bonds (Banner Hlth.), Ser. A, 5s, 1/1/14 | AA- | 2,000,000 | 2,072,180 |
| AZ Hlth. Fac. Auth. Hosp. Syst. Rev. Bonds (John C. Lincoln Hlth. Network), 6 3/8s, 12/1/37 (Prerefunded) | BBB | 500,000 | 563,695 |
| Casa Grande, Incl. Dev. Auth. Rev. Bonds (Casa Grande Regl. Med. Ctr.), Ser. A, 7 5/8s, 12/1/29 | B+/P | 1,175,000 | 1,267,108 |
| Marana, Impt. Dist. Special Assmt. Bonds (Tangerine Farms Road), 4.6s, 1/1/26 | Baa1 | 780,000 | 714,410 |
| Pima Cnty., Incl. Dev. Auth. Rev. Bonds (Horizon Cmnty. Learning Ctr.), 5.05s, 6/1/25 | BBB- | 525,000 | 488,282 |
| Scottsdale, Incl. Dev. Auth. Hosp. Rev. Bonds (Scottsdale Hlth. Care), 5.8s, 12/1/31 (Prerefunded) | A3 | 1,000,000 | 1,083,220 |
| | | | 6,188,895 |
| Arkansas (2.7%) | | | |
| AR State Hosp. Dev. Fin. Auth. Rev. Bonds (Washington Regl. Med. Ctr.), 7 3/8s, 2/1/29 (Prerefunded) (SEG) | Baa2 | 3,000,000 | 3,247,050 |
| Independence Cnty., Poll. Control Rev. Bonds (Entergy AR, Inc.), 5s, 1/1/21 | A- | 500,000 | 500,875 |
| Jefferson Cnty., Poll. Control Rev. Bonds (Entergy AR, Inc.), 4.6s, 10/1/17 | A- | 355,000 | 352,448 |
| Little Rock G.O. Bonds (Cap. Impt.), FSA, 3.95s, 4/1/19 | Aaa | 560,000 | 553,896 |
| Springdale, Sales & Use Tax Rev. Bonds, FSA, 4.05s, 7/1/26 | Aaa | 500,000 | 496,645 |
| | | | 5,150,914 |
| California (16.4%) | | | |

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| | | | |
|--|-------|-----------|-----------|
| ABC Unified School Dist. G.O. Bonds, Ser. B, FGIC, zero %, 8/1/20 | Aaa | 1,500,000 | 828,810 |
| Anaheim, City School Dist. G.O. Bonds (Election of 2002), MBIA, zero %, 8/1/26 | Aaa | 2,250,000 | 891,068 |
| Anaheim, Pub. Fin. Auth. Tax Alloc. Rev. Bonds, MBIA, 6.45s, 12/28/18 | Aaa | 4,000,000 | 4,113,680 |
| Azusa, Cmnty. Fac. Dist. Special Tax Bonds (No. 05-1), Class 1, 5s, 9/1/27 | BB-/P | 455,000 | 431,845 |
| CA Edl. Fac. Auth. Rev. Bonds (U. of the Pacific), 5s, 11/1/21 | A2 | 525,000 | 534,823 |
| CA Hlth. Fac. Fin. Auth. Rev. Bonds (Sutter Hlth.), Ser. A, MBIA, 5 3/8s, 8/15/30 | Aaa | 2,500,000 | 2,553,925 |
| CA Muni. Fin. Auth. COP (Cmnty. Hosp. Central CA), 5 1/4s, 2/1/37 | Baa2 | 1,500,000 | 1,418,460 |
| CA State G.O. Bonds, 5 1/8s, 4/1/23 | A1 | 500,000 | 514,725 |
| CA State Dept. of Wtr. Resources Rev. Bonds, Ser. A, 5 1/2s, 5/1/11 | A1 | 1,500,000 | 1,588,290 |
| CA State Econ. Recvy. G.O. Bonds, Ser. A, 5s, 7/1/16 | AA+ | 1,000,000 | 1,041,540 |
| CA Statewide Cmnty., Dev. Auth. COP (The Internext Group), 5 3/8s, 4/1/30 | BBB | 1,750,000 | 1,688,960 |
| Cathedral City, Impt. Board Act of 1915 Special Assmt. Bonds (Cove Impt. Dist.), Ser. 04-02, 5.05s, 9/2/35 | BB+/P | 270,000 | 246,310 |
| Chula Vista, Indl. Dev. Rev. Bonds (San Diego Gas), Ser. B, 5s, 12/1/27 | A1 | 640,000 | 640,966 |
| Garvey, School Dist. G.O. Bonds (Election of 2004), FSA, zero %, 8/1/22 | Aaa | 1,265,000 | 615,094 |
| Gilroy, Rev. Bonds (Bonfante Gardens Park), 8s, 11/1/25 | B-/P | 576,000 | 517,156 |
| Golden State Tobacco Securitization Corp. Rev. Bonds Ser. 03 A-1, 6 1/4s, 6/1/33 (Prerefunded) | Aaa | 1,100,000 | 1,199,462 |
| Ser. B, FHLMC Coll., 5 5/8s, 6/1/38 (Prerefunded) | Aaa | 1,500,000 | 1,637,445 |

| | | | |
|--|-------|-----------|-----------|
| Ser. A-1, 5s, 6/1/33 | BBB | 1,350,000 | 1,223,600 |
| Ser. 03 A-1, 5s, 6/1/21 (Prerefunded) | AAA | 60,000 | 60,639 |
| Ser. A-1, 4 1/2s, 6/1/27 | BBB | 895,000 | 844,567 |
| Newark, Unified School Dist. G.O. Bonds (Election of 1997), Ser. D, FSA, zero %, 8/1/21 | Aaa | 2,360,000 | 1,223,589 |
| Orange Cnty., Cmnty. Fac. Dist. Special Tax Rev. Bonds (Ladera Ranch No. 02-1), Ser. A, 5.55s, 8/15/33 | BBB/P | 450,000 | 446,922 |
| Riverside Cnty., Redev. Agcy. Tax Alloc., Ser. A, XLCA, 5s, 10/1/29 | Aaa | 4,700,000 | 4,769,701 |
| Roseville, Cmnty. Fac. Special Tax Bonds (Dist. No. 1 - Westpark), 5 1/4s, 9/1/19 | BB/P | 875,000 | 877,258 |
| (Dist. No. 1 - Fiddymont Ranch), Ser. 1, 5s, 9/1/20 | BB/P | 255,000 | 246,256 |
| Sacramento, Special Tax Rev. Bonds (North Natomas Cmnty. Fac.), 5s, 9/1/18 | BB/P | 1,035,000 | 1,017,829 |
| Silicon Valley, Tobacco Securitization Auth. Rev. | | | |

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|---|-------|---------|-------------------|
| Bonds (Santa Clara), Ser. A, zero %, 6/1/36 | BBB/F | 750,000 | 111,300 |
| | | | 31,284,220 |

Colorado (2.9%)

| | | | |
|---|-------|-----------|------------------|
| CO Hlth. Fac. Auth. Rev. Bonds (Christian Living Cmnty.), Ser. A, 5 3/4s, 1/1/26 | BB-/P | 100,000 | 99,991 |
| (Evangelical Lutheran), 5 1/4s, 6/1/21 | A3 | 250,000 | 252,423 |
| (Evangelical Lutheran), 5s, 6/1/29 | A3 | 160,000 | 150,880 |
| CO Springs, Hosp. Rev. Bonds 6 3/8s, 12/15/30 (Prerefunded) | A3 | 1,485,000 | 1,616,749 |
| 6 3/8s, 12/15/30 | A3 | 1,515,000 | 1,602,234 |
| CO State Hsg. Fin. Auth. Rev. Bonds (Single Fam.) Ser. B-2, 7s, 5/1/26 | Aa2 | 60,000 | 60,217 |
| Ser. B-3, 6.8s, 11/1/28 | Aa2 | 35,000 | 35,089 |
| U. of CO. Enterprise Syst. Rev. Bonds, FGIC, 5s, 6/1/26 | Aaa | 1,650,000 | 1,691,366 |
| | | | 5,508,949 |

Delaware (0.9%)

| | | | |
|---|------|-----------|------------------|
| GMAC Muni. Mtge. Trust 144A sub. notes Ser. A1-3, 5.3s, 10/31/39 | A3 | 500,000 | 493,795 |
| Ser. A1-2, 4.9s, 10/31/39 | A3 | 1,000,000 | 993,980 |
| New Castle Cnty., Rev. Bonds (Newark Charter School, Inc.), 5s, 9/1/30 | BBB- | 250,000 | 225,953 |
| | | | 1,713,728 |

District of Columbia (2.1%)

| | | | |
|--|-----|-----------|------------------|
| DC G.O. Bonds, Ser. B, FSA, 5 1/4s, 6/1/26 | Aaa | 4,000,000 | 4,072,280 |
|--|-----|-----------|------------------|

Florida (8.5%)

| | | | |
|--|-------|-----------|-----------|
| Connerton West, Cmnty. Dev. Dist. Rev. Bonds, Ser. B, 5 1/8s, 5/1/16 | BB-/P | 210,000 | 200,031 |
| Escambia Cnty., Hlth. Fac. Auth. Rev. Bonds (Baptist Hosp. & Baptist Manor), 5 1/8s, 10/1/19 | Baa1 | 1,895,000 | 1,902,656 |
| Halifax, Hosp. Med. Ctr. Rev. Bonds, Ser. A, 5 1/4s, 6/1/19 | BBB+ | 2,200,000 | 2,241,492 |
| Highlands Cnty., Hlth. Fac. Auth. FRN (Adventist Hlth.), Ser. A, 5s, 11/15/23 | A1 | 300,000 | 301,983 |
| Lee Cnty., Indl. Dev. Auth. Hlth. Care Fac. Rev. Bonds (Alliance Cmnty.), Ser. C, 5 1/2s, 11/15/29 (Prerefunded) | AAA | 1,000,000 | 1,045,910 |
| Miami Beach, Hlth. Fac. Auth. Hosp. Rev. Bonds (Mount Sinai Med. Ctr.), 5 3/8s, 11/15/28 | BB+ | 2,000,000 | 1,925,200 |
| Okeechobee Cnty., Solid Waste Mandatory Put Bonds (Waste Mgt./Landfill), Ser. A, 4.2s, 7/1/09 | BBB | 375,000 | 371,483 |

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|---|-------|-----------|-------------------|
| Reunion West, Cmnty. Dev. Dist. Special Assmt. Bonds, 6 1/4s, 5/1/36 | BB-/P | 840,000 | 849,064 |
| South Bay, Cmnty. Dev. Dist. Rev. Bonds, Ser. B-1, 5 1/8s, 11/1/09 | BB-/P | 715,000 | 710,567 |
| South Broward, Hosp. Dist. Rev. Bonds, MBIA, 4 3/4s, 5/1/28 | Aaa | 3,000,000 | 2,972,550 |
| South Miami, Hlth. Fac. Hosp. Rev. Bonds (Baptist Hlth. South FL Group), 5s, 8/15/27 | Aa3 | 2,750,000 | 2,756,325 |
| Split Pine, Cmnty. Dev. Dist. Special Assmt. Bonds, Ser. A, 5 1/4s, 5/1/39 | BB-/P | 500,000 | 433,200 |
| Tolomato, Cmnty. Dev. Dist. Special Assmt. Bonds, 5.4s, 5/1/37 | BB-/P | 175,000 | 155,236 |
| Wentworth Estates, Cmnty. Dev. Dist. Special Assmt. Bonds, Ser. B, 5 1/8s, 11/1/12 | BB-/P | 420,000 | 405,581 |
| | | | 16,271,278 |

Georgia (5.8%)

| | | | |
|--|------|-----------|-------------------|
| Atlanta, Arpt. Rev. Bonds, Ser. B, FGIC, 5 5/8s, 1/1/30 | Aaa | 1,500,000 | 1,541,550 |
| Atlanta, Wtr. & Waste Wtr. Rev. Bonds, Ser. A, FGIC, 5s, 11/1/38 (Prerefunded) | Aaa | 1,045,000 | 1,070,634 |
| Cobb Cnty., Dev. Auth. U. Fac. Rev. Bonds (Kennesaw State U. Hsg.), Ser. A, MBIA, 5s, 7/15/29 | Aaa | 5,215,000 | 5,317,788 |
| GA Med. Ctr. Hosp. Auth. Rev. Bonds, MBIA, 6.367s, 8/1/10 | Aaa | 600,000 | 600,738 |
| Paulding Cnty., School Dist. G.O. Bonds, 4 3/4s, 2/1/27 | AA+ | 1,500,000 | 1,501,065 |
| Rockdale Cnty., Dev. Auth. Solid Waste Disp. Rev. Bonds (Visay Paper, Inc.), 7.4s, 1/1/16 | B+/P | 1,065,000 | 1,065,000 |
| | | | 11,096,775 |

Idaho (0.2%)

| | | | |
|--|-----|---------|----------------|
| ID Hsg. & Fin. Assn. Rev. Bonds (Single Fam. Mtge.), Ser. C-2, FHA Insd., 5.15s, 7/1/29 | Aaa | 340,000 | 341,017 |
|--|-----|---------|----------------|

Illinois (11.7%)

| | | | |
|--|-----|-----------|-----------|
| Chicago, G.O. Bonds, Ser. A, FSA, 5s, 1/1/27 | Aaa | 4,270,000 | 4,353,137 |
| Chicago, Board of Ed. G.O. Bonds (School Reform), Ser. A, AMBAC, 5 1/4s, 12/1/27 | Aaa | 2,500,000 | 2,559,050 |
| Cook Cnty., Cmnty. G.O. Bonds (Cons. School Dist. No. 64 Pk. Ridge), FSA, 5 1/2s, 12/1/16 | Aaa | 1,580,000 | 1,755,001 |
| IL Dev. Fin. Auth. Rev. Bonds (Midwestern U.), Ser. B, 6s, 5/15/26 (Prerefunded) | AAA | 1,600,000 | 1,741,600 |
| IL Dev. Fin. Auth. Hosp. Rev. Bonds (Adventist Hlth. | | | |

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| | | | |
|--|-----|-----------|-------------------|
| Syst./Sunbelt Obligation), 5.65s, 11/15/24 (Prerefunded) | A1 | 2,500,000 | 2,622,600 |
| IL State Toll Hwy. Auth. Rev. Bonds, Ser. A-1, FSA, 5s, 1/1/23 | Aaa | 2,250,000 | 2,327,715 |
| Lake Cnty., Cmnty. School Dist. G.O. Bonds (No. 073 Hawthorn), Ser. 02, FGIC, zero %, 12/1/21 | Aaa | 950,000 | 485,526 |
| Montgomery, Special Assmt. Bonds (Lakewood Creek), Radian Insd., 4.7s, 3/1/30 | AA | 700,000 | 621,782 |
| Schaumburg, G.O. Bonds, Ser. B, FGIC, 5s, 12/1/27 | Aaa | 5,000,000 | 5,109,250 |
| Southern IL U. Rev. Bonds (Hsg. & Auxiliary), Ser. A, MBIA, zero %, 4/1/25 | Aaa | 1,870,000 | 804,231 |
| | | | 22,379,892 |

Indiana (1.8%)

| | | | |
|--|--------|-----------|------------------|
| Anderson, Econ. Dev. Rev. Bonds (Anderson U.), 5s, 10/1/24 | BBB-/F | 135,000 | 128,011 |
| IN Bk. Special Program Gas Rev. Bonds, Ser. A, 5 1/4s, 10/15/18 | Aa2 | 725,000 | 756,617 |
| IN State Dev. Fin. Auth. Env. Impt. Rev. Bonds (USX Corp.), 5.6s, 12/1/32 | Baa1 | 2,600,000 | 2,638,480 |
| | | | 3,523,108 |

Iowa (3.2%)

| | | | |
|--|-----|-----------|------------------|
| IA Fin. Auth. Hlth. Care Fac. Rev. Bonds (Care Initiatives), 9 1/4s, 7/1/25 (Prerefunded) | AAA | 1,465,000 | 1,760,095 |
| IA State Rev. Bonds (Honey Creek Premier Destination Pk.), FSA 5s, 6/1/27 | Aaa | 1,470,000 | 1,505,442 |
| 5s, 6/1/26 | Aaa | 1,400,000 | 1,437,800 |
| 5s, 6/1/25 | Aaa | 1,335,000 | 1,379,776 |
| | | | 6,083,113 |

Kansas (0.1%)

| | | | |
|---|----|---------|----------------|
| Lawrence, Hosp. Rev. Bonds (Lawrence Memorial Hosp.), 5 1/4s, 7/1/21 | A3 | 250,000 | 257,633 |
|---|----|---------|----------------|

Louisiana (1.1%)

| | | | |
|--|-----|-----------|------------------|
| Ernest N. Morial-New Orleans, Exhibit Hall Auth. Special Tax Bonds, Ser. A, AMBAC, 5 1/4s, 7/15/21 (Prerefunded) | Aaa | 1,500,000 | 1,612,440 |
| LA Pub. Fac. Auth. Rev. Bonds (Pennington Med. Foundation), 5s, 7/1/16 | A3 | 400,000 | 409,136 |
| | | | 2,021,576 |

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Maine (0.6%)

| | | | |
|---|-----|-----------|------------------|
| ME State Hsg. Auth. Rev. Bonds, Ser. D-2-AMT, 5s, 11/15/27 | Aa1 | 1,085,000 | 1,093,181 |
|---|-----|-----------|------------------|

Maryland (0.3%)

| | | | |
|---|------|---------|----------------|
| Baltimore Cnty., Rev. Bonds (Oak Crest Village, Inc. Fac.), Ser. A, 5s, 1/1/22 | BBB+ | 475,000 | 468,284 |
|---|------|---------|----------------|

Massachusetts (11.7%)

| | | | |
|--|--------|------------|-------------------|
| MA State Dev. Fin. Agcy. Rev. Bonds (MA Biomedical Research), Ser. C, 6 3/8s, 8/1/17 | Aa3 | 2,785,000 | 2,968,894 |
| (Linden Ponds, Inc.), Ser. A, 5 1/2s, 11/15/22 | BB/P | 425,000 | 421,511 |
| MA State Dev. Fin. Agcy. Higher Ed. Rev. Bonds (Emerson College), Ser. A, 5s, 1/1/19 | A- | 310,000 | 321,197 |
| MA State Hlth. & Edl. Fac. Auth. Rev. Bonds (Civic Investments/HPHC), Ser. A, 9s, 12/15/15 (Prerefunded) | BBB-/P | 970,000 | 1,154,261 |
| (Jordan Hosp.), Ser. E, 6 3/4s, 10/1/33 | BB+ | 750,000 | 792,660 |
| (Med. Ctr. of Central MA), AMBAC, 6.55s, 6/23/22 | Aaa | 15,950,000 | 16,288,300 |
| (UMass Memorial), Ser. D, 5s, 7/1/33 | Baa2 | 500,000 | 470,955 |
| | | | 22,417,778 |

Michigan (4.7%)

| | | | |
|---|-----|-----------|-----------|
| Flint, Hosp. Bldg. Auth. Rev. Bonds (Hurley Med. Ctr.), 6s, 7/1/20 | Ba1 | 75,000 | 76,429 |
| MI State Hosp. Fin. Auth. Rev. Bonds (Oakwood Hosp.), Ser. A, 5 3/4s, 4/1/32 | A2 | 1,000,000 | 1,028,700 |
| (Holland Cmnty. Hosp.), Ser. A, FGIC, 5 3/4s, 1/1/21 | A2 | 1,250,000 | 1,310,525 |
| (Mid-Michigan Hlth. Oblig. Group), Ser. A, 5s, 4/15/26 | A1 | 1,775,000 | 1,753,736 |
| (Hosp. Sparrow), 5s, 11/15/24 | A1 | 1,520,000 | 1,514,680 |
| MI State Hsg. Dev. Auth. Rev. Bonds, Ser. A, 3.9s, 6/1/30 | AA+ | 1,200,000 | 1,194,588 |

| | | | |
|---|------|-----------|------------------|
| MI Tobacco Settlement Fin. Auth. Rev. Bonds, Ser. A, 6s, 6/1/34 | BBB | 200,000 | 202,924 |
| Monroe Cnty., Hosp. Fin. Auth. Rev. Bonds (Mercy Memorial Hosp. Corp.), 5 3/8s, 6/1/26 | Baa3 | 750,000 | 737,333 |
| Saginaw Cnty., G.O. Bonds (Healthsource Saginaw, Inc.), MBIA, 5s, 5/1/26 | Aaa | 1,210,000 | 1,236,160 |
| | | | 9,055,075 |

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Minnesota (3.4%)

| | | | |
|--|------|-----------|------------------|
| Cohasset, Poll. Control Rev. Bonds (Allele, Inc.), 4.95s, 7/1/22 | A- | 2,500,000 | 2,479,100 |
| Minneapolis, Cmnty. Dev. Agcy. Supported Dev. Rev. Bonds, Ser. G-3, U.S. Govt. Coll., 5.45s, 12/1/31 (Prerefunded) | A+ | 1,705,000 | 1,819,576 |
| MN State Hsg. Fin. Agcy. Rev. Bonds (Res. Hsg.), Ser. M, 5 3/4s, 1/1/37 | Aa1 | 500,000 | 527,220 |
| North Oaks, Sr. Hsg. Rev. Bonds (Presbyterian Homes), 6 1/8s, 10/1/39 | BB/P | 340,000 | 341,884 |
| Spring Lake Pk., G.O. Bonds (Indpt. School Dist. No. 016 School Bldg.), Ser. C, FSA, 5s, 2/1/24 | Aaa | 1,000,000 | 1,035,570 |
| St. Paul, Hsg. & Redev. Auth. Hosp. Rev. Bonds (Healtheast), 6s, 11/15/25 | Baa3 | 350,000 | 361,620 |
| | | | 6,564,970 |

Mississippi (2.7%)

| | | | |
|---|------|-----------|------------------|
| Lowndes Cnty., Solid Waste Disp. & Poll. Control Rev. Bonds (Weyerhaeuser Co.) | | | |
| Ser. A, 6.8s, 4/1/22 | Baa2 | 500,000 | 570,515 |
| Ser. B, 6.7s, 4/1/22 | Baa2 | 525,000 | 593,786 |
| MS Bus. Fin. Corp. Poll. Control Rev. Bonds (Syst. Energy Resources, Inc.), 5 7/8s, 4/1/22 | BBB | 1,750,000 | 1,750,420 |
| MS Dev. Bk. Special Obligation Rev. Bonds (Jackson MS), FSA, 5 1/4s, 3/1/21 | Aaa | 1,385,000 | 1,500,855 |
| MS Home Corp. Rev. Bonds (Single Fam. Mtge.), Ser. B-2, GNMA Coll., FNMA Coll., 6.45s, 12/1/33 | Aaa | 560,000 | 572,628 |
| MS Hosp. Equip. & Fac. Auth. Rev. Bonds (Hosp. South Central), 5 1/4s, 12/1/21 | BBB+ | 250,000 | 250,705 |
| | | | 5,238,909 |

Missouri (4.1%)

| | | | |
|---|-------|-----------|-----------|
| Cape Girardeau Cnty., Indl. Dev. Auth. Hlth. Care Fac. Rev. Bonds (St. Francis Med. Ctr.), Ser. A, 5 1/2s, 6/1/16 | A+ | 1,250,000 | 1,311,225 |
| MO Dev. Fin. Board Cultural Fac. VRDN (Nelson Gallery Foundation), Ser. B, MBIA, 3.96s, 12/1/31 | VMIG1 | 3,300,000 | 3,300,000 |
| MO State Hlth. & Edl. Fac. Auth. Rev. Bonds (BJC Hlth. Syst.), 5 1/4s, 5/15/32 | Aa2 | 1,000,000 | 1,008,240 |
| MO State Hsg. Dev. Comm. Mtge. Rev. Bonds (Single Fam. Homeowner Loan), Ser. A-2, GNMA Coll., 6.3s, 3/1/30 | AAA | 630,000 | 638,505 |
| (Single Fam. Homeowner Loan), Ser. C, GNMA Coll., FNMA Coll., 5.6s, 9/1/35 | AAA | 600,000 | 626,196 |
| (Single Fam. Home Ownership Loan), Ser. D, GNMA Coll., FNMA Coll., 5.55s, 9/1/34 | Aaa | 900,000 | 911,925 |

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7,796,091

Nevada (4.2%)

| | | | |
|--|------|-----------|------------------|
| Clark Cnty., Arpt. Rev. Bonds, Ser. A-2, FGIC, 5 1/8s, 7/1/26 | Aaa | 5,105,000 | 5,236,045 |
| Clark Cnty., Impt. Dist. Special Assmt. Bonds (Summerlin No. 151), 5s, 8/1/25 | BB/P | 700,000 | 655,872 |
| Henderson, Local Impt. Dist. Special Assmt. Bonds (No. T-16), 5.1s, 3/1/21 | BB/P | 975,000 | 908,281 |
| (No. T-17), 5s, 9/1/25 | BB/P | 225,000 | 200,673 |
| (No. T-14), 4 3/4s, 3/1/10 | BB/P | 1,030,000 | 1,060,900 |
| | | | 8,061,771 |

New Hampshire (0.6%)

| | | | |
|--|----|-----------|------------------|
| NH Hlth. & Ed. Fac. Auth. Rev. Bonds (Southern NH Med. Ctr.), Ser. A, 5 1/4s, 10/1/28 | A- | 1,140,000 | 1,143,488 |
|--|----|-----------|------------------|

New Jersey (7.4%)

| | | | |
|--|--------|-----------|-------------------|
| NJ Econ. Dev. Auth. Rev. Bonds (Cedar Crest Village, Inc.), Ser. A, U.S. Govt. Coll., 7 1/4s, 11/15/31 (Prerefunded) | AAA/P | 650,000 | 739,791 |
| (Cigarette Tax), 5 3/4s, 6/15/29 | Baa2 | 1,750,000 | 1,820,438 |
| (Motor Vehicle), Ser. A, MBIA, 5s, 7/1/27 | Aaa | 5,000,000 | 5,151,050 |
| NJ Hlth. Care Fac. Fin. Auth. Rev. Bonds (Hunterdon Med. Ctr.), Ser. B, 5s, 7/1/26 | A- | 1,000,000 | 990,310 |
| NJ State Rev. Bonds (Trans. Syst.), Ser. C, AMBAC, zero %, 12/15/24 | Aaa | 4,800,000 | 2,115,072 |
| NJ State Edl. Fac. Auth. Rev. Bonds (Fairleigh Dickinson), Ser. C, 6s, 7/1/20 | BBB-/F | 750,000 | 772,740 |
| Tobacco Settlement Fin. Corp. Rev. Bonds 6 3/4s, 6/1/39 (Prerefunded) | AAA | 500,000 | 574,540 |
| 6s, 6/1/37 (Prerefunded) | AAA | 1,000,000 | 1,097,250 |
| Ser. 1A, 5s, 6/1/29 | BBB | 500,000 | 451,665 |
| Ser. 1A, 4 1/2s, 6/1/23 | BBB | 545,000 | 517,478 |
| | | | 14,230,334 |

New Mexico (0.8%)

| | | | |
|---|-----|---------|---------|
| NM Fin. Auth. Rev. Bonds, Ser. A, MBIA, 5s, 6/15/22 | Aaa | 750,000 | 778,553 |
| NM Mtge. Fin. Auth. Rev. Bonds (Single Fam. Mtge.) Ser. D-2, GNMA Coll., FNMA Coll., FHLMC Coll., 5.64s, 9/1/33 | AAA | 285,000 | 290,207 |
| Ser. F2, Class I, GNMA Coll., FNMA Coll., FHLMC Coll., 5.6s, 7/1/38 | AAA | 500,000 | 527,915 |

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1,596,675

New York (13.0%)

| | | | |
|---|-------|-----------|-------------------|
| Metro. Trans. Auth. Dedicated Tax Rev. Bonds, Ser. B, MBIA, 5s, 11/15/25 | Aaa | 1,200,000 | 1,243,776 |
| NY City, Hsg. Dev. Corp. Rev. Bonds, Ser. A, FGIC, 5s, 7/1/25 | Aaa | 500,000 | 514,305 |
| NY City, Incl. Dev. Agcy. Rev. Bonds (Liberty-7 World Trade Ctr.), Ser. A, 6 1/4s, 3/1/15 | B-/P | 500,000 | 522,505 |
| (Brooklyn Navy Yard Cogen. Partners), Ser. G, 5 3/4s, 10/1/36 | BBB- | 2,000,000 | 2,000,460 |
| NY City, Incl. Dev. Agcy. Special Fac. Rev. Bonds (British Airways PLC), 5 1/4s, 12/1/32 | Ba1 | 250,000 | 224,858 |
| NY City, Muni. Wtr. & Swr. Fin. Auth. Rev. Bonds, Ser. D, 5s, 6/15/37 | AA+ | 7,500,000 | 7,600,725 |
| NY State Dorm. Auth. Rev. Bonds (NY Methodist Hosp.), 5 1/4s, 7/1/15 | Baa2 | 500,000 | 514,390 |
| NY State Energy Research & Dev. Auth. Gas Fac. Rev. Bonds (Brooklyn Union Gas), 6.952s, 7/1/26 | A+ | 2,000,000 | 2,038,540 |
| NY State Env. Fac. Corp. Rev. Bonds, 5s, 6/15/32 | Aaa | 4,000,000 | 4,080,080 |
| Port. Auth. NY & NJ Special Oblig. Rev. Bonds (JFK Intl. Air Term. - 6), MBIA, 5.9s, 12/1/17 | Aaa | 5,250,000 | 5,379,045 |
| Suffolk Cnty., Incl. Dev. Agcy. Cont. Care Retirement Rev. Bonds (Peconic Landing), Ser. A, 8s, 10/1/30 | BB-/P | 650,000 | 696,209 |
| | | | 24,814,893 |

North Carolina (3.8%)

| | | | |
|--|------|-----------|------------------|
| NC Eastern Muni. Pwr. Agcy. Syst. Rev. Bonds Ser. D, 6 3/4s, 1/1/26 | Baa2 | 1,000,000 | 1,055,300 |
| Ser. A, 5 3/4s, 1/1/26 | Baa2 | 2,000,000 | 2,059,420 |
| NC Med. Care Cmnty. Hlth. Care Fac. Rev. Bonds (First Mtge. - Presbyterian Homes), 5 3/8s, 10/1/22 | BB/P | 500,000 | 499,720 |
| NC State Muni. Pwr. Agcy. Rev. Bonds (No. 1, Catawba Elec.), Ser. B, 6 1/2s, 1/1/20 | A3 | 3,500,000 | 3,691,940 |
| | | | 7,306,380 |

North Dakota (0.5%)

| | | | |
|--|-----|---------|----------------|
| ND State Board of Higher Ed. Rev. Bonds (U. of ND Hsg. & Auxillary Fac.), FSA 5s, 4/1/21 | Aaa | 400,000 | 414,368 |
| 5s, 4/1/19 | Aaa | 500,000 | 522,670 |
| | | | 937,038 |

Ohio (3.8%)

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| | | | |
|---|------|-----------|------------------|
| Coshocton Cnty., Env. 144A Rev. Bonds (Smurfit-Stone Container Corp.), 5 1/8s, 8/1/13 | CCC+ | 600,000 | 589,050 |
| North East Regl. Swr. Dist. Waste Wtr. Rev. Bonds, MBIA, 4 3/4s, 11/15/25 | Aaa | 2,000,000 | 2,023,120 |
| OH State Air Quality Dev. Auth. Rev. Bonds (Toledo Poll. Control), Ser. A, 6.1s, 8/1/27 | Baa2 | 2,000,000 | 2,052,980 |
| Rickenbacker, Port Auth. Rev. Bonds (OASBO Expanded Asset Pooled), Ser. A, 5 3/8s, 1/1/32 | A2 | 2,500,000 | 2,591,450 |
| | | | 7,256,600 |

Oklahoma (0.6%)

| | | | |
|---|-----|-----------|------------------|
| OK Dev. Fin. Auth. Rev. Bonds (Hillcrest Hlth. Care Syst.), Ser. A, U.S. Govt. Coll., 5 5/8s, 8/15/29 (Prerefunded) | Aaa | 1,050,000 | 1,097,544 |
|---|-----|-----------|------------------|

Oregon (0.6%)

| | | | |
|---|-------|---------|------------------|
| Multnomah Cnty., Hosp. Fac. Auth. Rev. Bonds (Terwilliger Plaza), Ser. A, 5 1/4s, 12/1/26 | BB-/P | 520,000 | 513,755 |
| OR State Hsg. & Cmnty. Svcs. Dept. Rev. Bonds (Single Family Mtge.), Ser. K, 5 5/8s, 7/1/29 | Aa2 | 615,000 | 624,526 |
| | | | 1,138,281 |

Pennsylvania (6.4%)

| | | | |
|--|------|-----------|-----------|
| Bucks Cnty., Indl. Dev. Auth. Retirement Cmnty. Rev. Bonds (Ann's Choice, Inc.), Ser. A, 5.4s, 1/1/15 | BB/P | 530,000 | 533,339 |
| Carbon Cnty., Indl. Dev. Auth. Rev. Bonds (Panther Creek Partners), 6.65s, 5/1/10 | BBB- | 725,000 | 740,327 |
| Lancaster Cnty., Hosp. Auth. Rev. Bonds (Gen. Hosp.), 5 1/2s, 3/15/26 (Prerefunded) | AA- | 1,500,000 | 1,637,895 |
| Lehigh Cnty., Gen. Purpose Auth. Rev. Bonds (Lehigh Valley Hosp. Hlth. Network), Ser. A, 5 1/4s, 7/1/32 | A1 | 1,000,000 | 995,800 |
| PA State Econ. Dev. Fin. Auth. Resource Recvy. Rev. Bonds (Northampton Generating), Ser. A, 6.6s, 1/1/19 | B+ | 750,000 | 752,250 |
| PA State Higher Edl. Fac. Auth. Rev. Bonds (Philadelphia U.) 5s, 6/1/30 | Baa2 | 780,000 | 730,337 |

| | | | |
|---|------|-----------|-----------|
| 5s, 6/1/22 | Baa2 | 300,000 | 295,977 |
| Philadelphia, School Dist. G.O. Bonds, Ser. D, FGIC, 5s, 6/1/27 (Prerefunded) | Aaa | 5,000,000 | 5,344,300 |
| Sayre, Hlth. Care Fac. Auth. Rev. Bonds (Guthrie Hlth.), Ser. A 5 7/8s, 12/1/31 (Prerefunded) | A | 830,000 | 904,883 |

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| | | | |
|-----------------|---|---------|-------------------|
| 5 7/8s, 12/1/31 | A | 245,000 | 254,180 |
| | | | 12,189,288 |

Puerto Rico (2.9%)

| | | | |
|--|------|-----------|------------------|
| Cmnwlth. of PR, Govt. Dev. Bank Rev. Bonds, Ser. AA, 5s, 12/1/16 | Baa3 | 250,000 | 261,658 |
| Cmnwlth. of PR, Hwy. & Trans. Auth. Rev. Bonds, Ser. B, 6s, 7/1/39 (Prerefunded) | BBB+ | 5,000,000 | 5,351,650 |
| | | | 5,613,308 |

South Carolina (3.7%)

| | | | |
|--|--------|-----------|------------------|
| Florence Cnty., Hosp. Rev. Bonds (McLeod Regl. Med. Ctr.), Ser. A, FSA, 5 1/4s, 11/1/23 | Aaa | 2,515,000 | 2,632,274 |
| Greenwood Cnty., Hosp. Rev. Bonds (Memorial Hosp.), 5 1/2s, 10/1/26 | A2 | 750,000 | 767,790 |
| SC Hosp. Auth. Rev. Bonds (Med. U.), Ser. A, 6 1/2s, 8/15/32 (Prerefunded) | AAA | 1,000,000 | 1,123,510 |
| SC Jobs Econ. Dev. Auth. Hosp. Fac. Rev. Bonds (Palmetto Hlth. Alliance), Ser. A, 7 3/8s, 12/15/21 (Prerefunded) | BBB+/F | 600,000 | 675,882 |
| SC Tobacco Settlement Rev. Mgmt. Auth. Rev. Bonds, Ser. B, 6 3/8s, 5/15/28 | BBB | 1,750,000 | 1,812,423 |
| | | | 7,011,879 |

South Dakota (1.5%)

| | | | |
|---|-----|-----------|------------------|
| SD Edl. Enhancement Funding Corp. SD Tobacco Rev. Bonds, Ser. B, 6 1/2s, 6/1/32 | BBB | 2,000,000 | 2,092,080 |
| SD State Hlth. & Edl. Fac. Auth. Rev. Bonds (Sanford Hlth.), 5s, 11/1/18 | AA- | 770,000 | 789,520 |
| | | | 2,881,600 |

Tennessee (1.4%)

| | | | |
|--|------|-----------|------------------|
| Johnson City, Hlth. & Edl. Fac. Board Hosp. Rev. Bonds (Mountain States Hlth.), Ser. A, 7 1/2s, 7/1/25 | Baa1 | 2,000,000 | 2,226,940 |
| Sullivan Cnty., Hlth. Edl. & Hsg. Hosp. Fac. Board Rev. Bonds (Wellmont Hlth. Syst.), Ser. C, 5s, 9/1/22 | BBB+ | 480,000 | 468,624 |
| | | | 2,695,564 |

Texas (13.1%)

| | | | |
|---|------|-----------|-----------|
| Alliance, Arpt. Auth. Rev. Bonds (Federal Express Corp.), 4.85s, 4/1/21 | Baa2 | 1,750,000 | 1,678,320 |
| Brazoria Cnty., Brazos River Harbor Naval Dist. (Dow Chemical Co.), Ser. A-3, 5 1/8s, 5/15/33 | A3 | 220,000 | 206,404 |

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| | | | |
|---|------|-----------|-------------------|
| Conroe, Indpt. School Dist. G.O. Bonds (School House), PSFG, 5s, 2/15/26 | Aaa | 2,905,000 | 2,946,454 |
| Gateway, Pub. Fac. Corp. Rev. Bonds (Stonegate Villas Apt.), FNMA Coll., 4.55s, 7/1/34 | Aaa | 750,000 | 763,605 |
| Harris Cnty., G.O. Bonds, MBIA, zero %, 8/15/16 | Aaa | 6,000,000 | 4,097,400 |
| Harris Cnty., Hlth. Fac. Rev. Bonds (Memorial Hermann Hlth. Care), Ser. A, 6 3/8s, 6/1/29 (Prerefunded) | A+ | 1,500,000 | 1,648,020 |
| Leander, Indpt. School Dist. G.O. Bonds, PSFG, zero %, 8/15/14 | AAA | 4,330,000 | 3,248,799 |
| Montgomery Cnty., G.O. Bonds (Library), Ser. B, AMBAC, 5s, 3/1/26 | Aaa | 1,335,000 | 1,351,594 |
| Port Corpus Christi Indl. Dev. Corp. Rev. Bonds (Valero), Ser. C, 5.4s, 4/1/18 | BBB | 815,000 | 822,938 |
| Sam Rayburn Muni. Pwr. Agcy. Rev. Bonds, 6s, 10/1/21 | Baa2 | 1,500,000 | 1,550,805 |
| Snyder, Indpt. School Dist. G.O. Bonds (School Bldg.), AMBAC | | | |
| 5 1/4s, 2/15/24 | AAA | 1,215,000 | 1,271,291 |
| 5 1/4s, 2/15/23 | AAA | 1,150,000 | 1,205,499 |
| Socorro, Indpt. School Dist. G.O. Bonds, PSFG, 5s, 8/15/29 | AAA | 1,360,000 | 1,373,464 |
| Tomball, Hosp. Auth. Rev. Bonds (Tomball Regl. Hosp.), 6s, 7/1/19 | Baa3 | 1,700,000 | 1,733,643 |
| TX State Dept. of Hsg. & Cmnty. Affairs Rev. Bonds (Single Fam.), Ser. F, FHA Insd., 5 3/4s, 3/1/37 | AAA | 1,000,000 | 1,055,740 |
| | | | 24,953,976 |

Utah (4.7%)

| | | | |
|--|------|-----------|------------------|
| Intermountain Pwr. Agcy. Rev. Bonds, Ser. A, MBIA, U.S. Govt. Coll., 6.15s, 7/1/14 (Prerefunded) | Aaa | 8,165,000 | 8,369,355 |
| UT Cnty., Env. Impt. Rev. Bonds (Marathon Oil), 5.05s, 11/1/17 | Baa1 | 675,000 | 697,046 |
| | | | 9,066,401 |

Vermont (0.4%)

| | | | |
|---|-----|---------|----------------|
| VT Hsg. Fin. Agcy. Rev. Bonds, Ser. 19A, FSA, 4.62s, 5/1/29 | Aaa | 720,000 | 722,261 |
|---|-----|---------|----------------|

Virginia (1.1%)

Prince William Cnty., Indl. Dev. Auth. Hosp. Rev.

| | | | |
|---|----|-----------|------------------|
| Bonds (Potomac Hosp. Corp.), 5.35s, 10/1/36 | A3 | 2,000,000 | 2,024,740 |
|---|----|-----------|------------------|

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Washington (2.2%)

| | | | | |
|--|-----|-----------|-----------|------------------|
| Everett, Pub. Fac. Dist. Ltd. Sales Tax & Interlocal | | | | |
| Rev. Bonds, Ser. A, 5s, 12/1/22 | A | 940,000 | 951,205 | |
| Tobacco Settlement Auth. of WA Rev. Bonds, 6 1/2s, | | | | |
| 6/1/26 | BBB | 2,250,000 | 2,381,873 | |
| WA State G.O. Bonds, Ser. E, XLCA, zero %, 12/1/24 | Aaa | 1,910,000 | 827,699 | |
| | | | | 4,160,777 |

West Virginia (7.2%)

| | | | | |
|---|-----|-----------|-----------|-------------------|
| Econ. Dev. Auth. Lease Rev. Bonds (Correctional | | | | |
| Juvenile Safety), Ser. A, MBIA, 5s, 6/1/29 | | | | |
| | Aaa | 7,500,000 | 7,649,850 | |
| West Virginia U. Rev. Bonds (Impt. West VA. U.), Ser. | | | | |
| C, FGIC, 5s, 10/1/26 | Aaa | 6,000,000 | 6,154,200 | |
| | | | | 13,804,050 |

Wisconsin (4.3%)

| | | | | |
|--|-----|-----------|-----------|------------------|
| Badger Tobacco Settlement Asset Securitization Corp. | | | | |
| Rev. Bonds | | | | |
| 7s, 6/1/28 | BBB | 1,800,000 | 1,907,244 | |
| 6 3/8s, 6/1/32 | BBB | 3,500,000 | 3,596,530 | |
| WI State Hlth. & Edl. Fac. Auth. Rev. Bonds (Wheaton | | | | |
| Franciscan), 5 3/4s, 8/15/30 (Prerefunded) | | | | |
| | A- | 2,500,000 | 2,719,800 | |
| | | | | 8,223,574 |

TOTAL INVESTMENTS

| | |
|---|----------------------|
| Total investments (cost \$322,127,191) (b) | \$329,861,816 |
|---|----------------------|

FUTURES CONTRACTS OUTSTANDING at 8/31/07 (Unaudited)

| | Number of contracts | Value | Expiration date | Unrealized depreciation |
|---------------------------------|---------------------|--------------|-----------------|-------------------------|
| U.S. Treasury Note 5 yr (Short) | 124 | \$13,231,188 | Dec-07 | \$(58,105) |

NOTES

(a) Percentages indicated are based on net assets of \$191,176,054.

(RAT) The Moody's, Standard & Poor's or Fitch's ratings indicated are believed to be the most recent ratings available at August 31, 2007 for the securities listed. Ratings are generally ascribed to securities at the time of issuance. While the agencies may from

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time to time revise such ratings, they undertake no obligation to do so, and the ratings do not necessarily represent what the agencies would ascribe to these securities at August 31, 2007. Securities rated by Putnam are indicated by "/P." Securities rated by Fitch are indicated by "/F."

(b) The aggregate identified cost on a tax basis is \$322,127,191, resulting in gross unrealized appreciation and depreciation of \$10,624,029 and \$2,889,404, respectively, or net unrealized appreciation of \$7,734,625.

(SEG) A portion of this security was pledged and segregated with the custodian to cover margin requirements for futures contracts at August 31, 2007.

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

The rates shown on VRDN, Mandatory Put Bonds and FRN are the current interest rates at August 31, 2007.

The dates shown on Mandatory Put Bonds are the next mandatory put dates.

The dates shown on debt obligations other than Mandatory Put Bonds are the original maturity dates.

The fund had the following sector concentrations greater than 10% at August 31, 2007 (as a percentage of net assets):

| | |
|-------------------|-------|
| Health care | 49.3% |
| Utilities & power | 24.3 |
| Local government | 24.2 |
| Land | 11.3 |
| Education | 10.5 |
| Tobacco | 10.3 |
| State government | 10.0 |

The fund had the following insurance concentrations greater than 10% at August 31, 2007 (as a percentage of net assets):

| | |
|-------|-------|
| MBIA | 29.5% |
| FGIC | 15.3 |
| FSA | 13.9 |
| AMBAC | 13.8 |

Security valuation Tax-exempt bonds and notes are generally valued on the basis of valuations provided by an independent pricing service approved by the Trustees. Such services use information with respect to transactions in bonds, quotations from bond dealers, market transactions in comparable securities and various relationships between securities in determining value. Certain investments are also valued at fair value following procedures approved by the Trustees. Such valuations and procedures are reviewed periodically by the Trustees. 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 at a given point in time and does not reflect an actual market price, which may be different by a material amount.

Futures and options contracts The fund may use futures and options contracts to hedge against changes in the values of securities the fund owns or expects to purchase, or for other investment purposes. The fund may also write options on swaps or securities it owns or in which it may invest to increase its current returns.

The potential risk to the fund is that the change in value of futures and 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, or if the counterparty to the contract is unable to perform. Risks may exceed amounts recognized on the statement of assets and liabilities. When the contract is closed, the fund records a realized gain or loss equal to

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the difference between the value of the contract at the time it was opened and the value at the time it was closed. 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.

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. 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. Futures and written option contracts outstanding at period end, if any, are listed after the fund's portfolio.

For additional information regarding the fund please see the fund's most recent annual or semiannual shareholder report filed on the Securities and Exchange Commission's Web site, www.sec.gov, or visit Putnam's Individual Investor Web site at www.putnaminvestments.com

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:

During the period, Putnam Fiduciary Trust Company, the fund's transfer agent, began utilizing shareholder systems and systems support provided by DST Systems, Inc. and certain of its affiliates.

Item 3. Exhibits:

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

SIGNATURES

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

Putnam Investment Grade Municipal Trust

By (Signature and Title):

/s/ Janet C. Smith

Janet C. Smith

Principal Accounting Officer

Date: October 30, 2007

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/ Charles E. Porter

Charles E. Porter

Principal Executive Officer

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Date: October 30, 2007

By (Signature and Title):

/s/ Steven D. Krichmar

Steven D. Krichmar

Principal Financial Officer

Date: October 30, 2007
