

AUDITED ANNUAL REPORT

FRANKLIN TEMPLETON INVESTMENT FUNDS

Société d'investissement à capital variable

June 30, 2019



FRANKLIN
TEMPLETON

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société d'investissement à capital variable

AUDITED ANNUAL REPORT

For the year ended June 30, 2019

This report shall not constitute an offer or a solicitation of an offer to buy shares of Franklin Templeton Investment Funds (the "Company"). Subscriptions are to be made on the basis of the current prospectus and its addendum as the case may be, where available the relevant Key Investor Information Documents ("KIIDs"), a copy of the latest available audited annual report and, if published thereafter, the latest unaudited semi-annual report.

The auditor's report refers only to the full English version of the Annual Report and not to any translated versions.

This report is an abridged version of the report of the Company which is available free of charge upon request at the registered office of the Company, at Franklin Templeton's local offices or distributors as stated in the current prospectus.

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société d'investissement à capital variable

8A, rue Albert Borschette, L-1246 Luxembourg, Grand Duchy of Luxembourg

(Registered with the registre de commerce et des sociétés, Luxembourg, under number B 35 177)

General Information

As at June 30, 2019

BOARD OF DIRECTORS:

Chairman

Gregory E. Johnson
Chairman and Chief Executive Officer
FRANKLIN RESOURCES, INC.
One Franklin Parkway
San Mateo, CA 94403-1906, U.S.A.

Directors

Jed A. Plafker
President and Executive Managing Director
FRANKLIN TEMPLETON INVESTMENTS
One Franklin Parkway
San Mateo, CA 94403-1906, U.S.A.

Mark G. Holowesko
President
HOLOWESKO PARTNERS LTD
Shipston House
P.O. Box N-7776, West Bay Street, Lyford Cay,
Nassau, Bahamas

James J. K. Hung
President and Chief Executive Officer
ASIA SECURITIES GLOBAL LTD
2704, Block B, Parkway Court,
No. 4 Parkway Road
Hong Kong

The Honourable Trevor G. Trefgarne
Chairman
ENTREPRISE GROUP LIMITED
11 High Street
Accra, Ghana
(date of resignation September 17, 2018)

William C. P. Lockwood
Independent Director
Poste restante, Avenue du Général de Gaulle
F-57570 Cattenom, France

MANAGEMENT COMPANY:

FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.à r.l.
8A, rue Albert Borschette, L-1246 Luxembourg
Grand Duchy of Luxembourg

REGISTERED OFFICE:

8A, rue Albert Borschette, L-1246 Luxembourg
Grand Duchy of Luxembourg

PRINCIPAL DISTRIBUTOR:

FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.à r.l.
8A, rue Albert Borschette, L-1246 Luxembourg
Grand Duchy of Luxembourg

INVESTMENT MANAGERS:

FRANKLIN ADVISERS, INC.
One Franklin Parkway
San Mateo, CA 94403-1906, U.S.A.

FASA, LLC
(until August 1, 2018)
One International Place, 25th Floor
Boston, MA 02110, U.S.A.

FRANKLIN MUTUAL ADVISERS, LLC
101 John F. Kennedy Parkway
Short Hills, NJ 07078-2789, U.S.A.

FRANKLIN TEMPLETON INSTITUTIONAL LLC
280 Park Avenue,
New York, NY 10017, U.S.A.

FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.à r.l.
8A, rue Albert Borschette, L-1246 Luxembourg
Grand Duchy of Luxembourg

FRANKLIN TEMPLETON INVESTMENT MANAGEMENT LIMITED
Cannon Place, 78 Cannon Street
London EC4N 6HL, United Kingdom

FRANKLIN TEMPLETON INVESTMENT TRUST MANAGEMENT CO. LIMITED
12 Youido-dong, Youngdungpo-gu,
Seoul, Korea

FRANKLIN TEMPLETON INVESTIMENTOS (Brasil) Ltda.
Avenue Brigadeiro Faria Lima 3311, 5o andar,
São Paulo 04538-133, Brazil

FRANKLIN TEMPLETON INVESTMENTS AUSTRALIA LIMITED
Level 19, 101 Collins Street
Melbourne, VIC 3000, Australia

FRANKLIN TEMPLETON INVESTMENTS (ASIA) LIMITED
17/F, Chater House
8 Connaught Road Central
Hong Kong

FRANKLIN TEMPLETON INVESTMENTS CORP.
200 King Street West, Suite 1500,
Toronto, Ontario M5H 3T4, Canada

K2/D&S MANAGEMENT CO., LLC
300 Atlantic Street, 12th Floor
Stamford, CT 06901, U.S.A.

FRANKLIN TEMPLETON INVESTMENTS (ME) LIMITED
The Gate, East Wing, Level 2,
Dubai International Financial Centre,
P.O. Box 506613, Dubai, United Arab Emirates

SUMITOMO MITSUI ASSET MANAGEMENT COMPANY LIMITED
2-5-1 Atago Minato-ku
Tokyo 105-6228, Japan

TEMPLETON ASSET MANAGEMENT LTD.
7 Temasek Boulevard
38-03 Suntec Tower One
Singapore 038987

TEMPLETON GLOBAL ADVISORS LIMITED
P.O. Box N-7759
Lyford Cay, Nassau, Bahamas

TEMPLETON INVESTMENT COUNSEL, LLC
300 S.E. 2nd Street
Fort Lauderdale, FL 33301, U.S.A.

DEPOSITARY AND LISTING AGENT

J.P. Morgan Bank LUXEMBOURG S.A.
European Bank and Business Centre
6C Route de Trèves, L-2633 Senningerberg
Grand Duchy of Luxembourg

AUDITOR:

PricewaterhouseCoopers, Société coopérative
2, rue Gerhard Mercator, L-2182 Luxembourg
Grand Duchy of Luxembourg

LEGAL ADVISERS:

ELVINGER HOSS PRUSSEN, Société anonyme
2, place Winston Churchill, L-1340 Luxembourg
Grand Duchy of Luxembourg

The Board of Directors

REPORT OF THE BOARD OF DIRECTORS

At June 30, 2019, Franklin Templeton Investment Funds ("FTIF", or the "Company") had assets under management of USD95.68 billion, down from USD101.98 billion a year earlier.

The financial year was marked by the continued expansion of the range and depth of the Company's offer, as detailed below. For more information on these events, please refer to Note 1.

Fund Launches

Franklin Emerging Markets Debt Opportunities Hard Currency Fund launched on January 18, 2019.

Franklin Global Corporate Investment Grade Bond Fund launched on January 23, 2019.

Fund closures

Franklin Global Aggregate Investment Grade Bond Fund closed on April 11, 2019.

Fund Mergers

On November 23, 2018, Templeton European Fund was merged into Templeton Euroland Fund.

On February 15, 2019, Templeton Africa Fund was merged into Templeton Frontier Markets Fund.

The Company will continue to make changes to the range of sub-funds when this is in the best interest of investors. We remain committed to retaining investment techniques that have been shown, over time, to increase shareholder value.

For the full list of share classes offered as at June 30, 2019, please refer to the Statistical Information section.

Corporate Governance

The Company is committed to high standards of corporate governance. The Board of Directors of the Company (the "Board") adheres to the principles of the ALFI Code of Conduct (as revised – June 2013) and considers that it has been in compliance with its principles throughout the financial year ended June 30, 2019.

Thank you for investing with Franklin Templeton Investments. Please be advised that the prospectus, the Key Investor Information Documents (KIIDs) and all Funds and share classes of FTIF may not be available in your jurisdiction.

If you have any queries, comments or suggestions about your investments with us please contact your financial adviser or your local Franklin Templeton Investments office using the contact details on the last page of the report.

THE BOARD OF DIRECTORS

Luxembourg, July 2019

The Board of Directors (continued)

THE BOARD

Chairman

Gregory E. Johnson

Gregory Johnson (58) was appointed to the Board on November 28, 2003. He is Chairman, President and Chief Executive Officer of Franklin Resources, Inc. and serves on the Board of Directors. He is also President of Templeton Worldwide, Inc., Chief Executive Officer and President of Templeton International, Inc. and serves as a Director for a number of subsidiaries of Franklin Resources, Inc. He is a member of a number of Franklin Templeton's International Fund Boards. Mr. Johnson joined Franklin in 1986 after working as a senior accountant for Coopers & Lybrand. He has served as President and Chairman of the Board for Franklin Templeton Distributors, Inc., President of Franklin Investment Advisory, LLC, President of FT Trust Company, Vice President of Franklin Advisers, Inc., co-portfolio manager of Franklin Income Fund and Franklin Utilities Fund and as an investment analyst.

Directors

Mark G. Holowesko

Mark Holowesko (59) was appointed to the Board on November 30, 1994. Mark Holowesko is the founding Partner and Chief Executive Officer of Holowesko Partners Ltd (HPL). Mark launched the firm in the fall of 2000, under the name of Templeton Capital Advisors, to serve the needs of institutional and high-net-worth investors. Subsequently renamed Holowesko Partners, under Mark's leadership HPL has enjoyed steady and consistent growth and now stands as one of the premier global equity hedge firms in the industry.

Mark's investment career began in 1985 when he joined Templeton Global Advisors as a research analyst. By 1987, he had assumed the day-to-day management of all portfolios previously managed by Sir John Templeton, including the Templeton Growth Fund and the Templeton Foreign Fund. In 1989, Mark became the Director of Research of the Templeton Global Equity Funds and later, in 1996, assumed the role of Chief Investment Officer.

Mark served as a member of the Executive Committee of Templeton, Galbraith & Hansberger from 1987 to 1992 and as a member of the Executive Committee of Franklin Resources from 1992 to 2000. Mark was Director, President & Head of Investments of Templeton Global Advisors Ltd. from 1992 to 2000.

Currently, Mark is Chairman of the Investment Committee of First Trust Bank, an offshore entity responsible for managing the assets of two of Sir John Templeton's Foundations.

James J. K. Hung

James Hung (72) was appointed to the Board on November 29, 2002. He is the Chairman and Chief Executive Officer ("CEO") of Xinya Investment Group, China, a real estate development and investment group in Mainland China, Hong Kong and Taiwan. He is also a Director and major shareholder of Security Bank in the Philippines and the Director of Franklin Templeton Fund Management Company in Shanghai, a joint venture of Franklin Templeton and the Sealand Securities Company, China. His previous experience includes working for Asia Securities Inc. (Taiwan) as the Chairman and CEO. He has also previously been the Director of Yi-Min Fund Management Co., (China), H&Q Venture Capital Inc. (Taiwan), Taiwan Index Fund Inc. (Luxembourg) and Vietnam Fund Inc. (Guernsey).

The Honourable Trevor G. Trefgarne

The Honourable Trevor Trefgarne (75) was appointed to the Board of Franklin Templeton Investment Funds on November 29, 2002. He is Chairman of Enterprise Group Limited, Ghana, and has been Director of a number of U.K. listed investment funds including Templeton Emerging Markets Investment Trust, Recovery Trust (Chairman) and Gartmore High Income Trust. He has extensive experience of the management of listed companies in the U.K. and Africa. The Honourable Trevor G. Trefgarne resigned from the Board of Directors on September 17, 2018.

Jed A. Plafker

Mr. Plafker (48) was appointed to the Board of Franklin Templeton Investment Funds on April 13, 2017. He is currently serving as the president of Franklin Templeton International. In this capacity, he is responsible for the international sales and marketing function. He also serves as a director of various Franklin Templeton corporate and investment entities as well as the ICI Global Steering Committee. Mr. Plafker joined Franklin Templeton in 1994, as an attorney in Franklin Templeton's corporate legal department. In January 1998, Mr. Plafker joined the international legal team as a vice president covering legal issues around the world. In May 2000, he moved to Franklin Templeton's Hong Kong office to become chief legal counsel, Asia, where he had responsibility for all legal issues effecting Franklin Templeton's Asia business, products and people.

In April 2001, Mr. Plafker took on the role of country head in Hong Kong where he ran the sales and marketing operations for Hong Kong while continuing in his role as chief legal counsel for Asia. In July 2002, he became managing director of Franklin Templeton Alternative Strategies. In January 2003, Mr. Plafker relocated to London to become one of five managing directors of Franklin Templeton's International Retail Group where he was responsible for overseeing the sales and marketing of all Franklin Templeton products in Africa, Middle East and parts of Europe including the UK, Spain, Switzerland and various Nordic countries. In June 2005, Mr. Plafker relocated to Franklin Templeton's headquarters in the United States.

Mr. Plafker earned a B.A. in economics and business from Lafayette College in Easton, Pennsylvania and a Juris Doctorate from the University of Miami in Coral Gables, Florida.

William C. P. Lockwood

William Lockwood (63) was appointed to the Board of Franklin Templeton Investment Funds on December 1, 2014. He joined Franklin Templeton in 1992 and served as General Manager of the Franklin Templeton Luxembourg subsidiary and Franklin Templeton Investment Funds until December 2005. From December 2005 until January 2014, he was Conducting Officer of Franklin Templeton Investment Funds and of Franklin Templeton International Services S.à r.l. subsequently. The Conducting Officer role was a

The Board of Directors (continued)

THE BOARD (continued)

management, oversight and governance role under the EU UCITS legislation reporting directly to the Board of Franklin Templeton Investment Funds. Mr Lockwood has been working in the financial services industry in Luxembourg since 1982. He is a Scottish Chartered Accountant and a Member of the Chartered Institute for Securities & Investment, London. He has served as a director and international vice chairman of the Luxembourg Fund Industry Association (ALFI) and as a council member of the Institute of Chartered Accountants of Scotland.

Report of the Investment Managers

During the 12-month reporting period ended 30 June 2019, US-China trade tensions dominated investor attention. Concerns also arose about the pace of US interest-rate hikes and signs of slowing global economic growth. By the end of the review period, indications that several key central banks may be prepared to lower interest rates if the economic outlook worsens boosted equities. New signs that the United States and China could resolve their trade dispute helped markets in late June.

In Europe, continued Brexit uncertainty, worries about the pace of US interest-rate increases and mixed corporate earnings soured investor outlooks in the first half of the reporting period. The tone of US-China trade rhetoric and Brexit talks drove alternating sentiment during the period. In early August, the Bank of England increased its benchmark interest rate to its highest level since 2009, at 0.75%. The European Central Bank's (ECB's) net asset purchase programme concluded at the end of December, though balance sheet reinvestments were to continue. In early 2019, the ECB alluded to downside risks it sees for the regional economy, and the European Commission cut its outlook for eurozone economic growth and inflation. In June, the central bank hinted at the possibility for new stimulus measures in the eurozone, which combined with the US Federal Reserve's (Fed's) signals on interest rates to cheer markets.

In the United States, robust corporate earnings, high business and consumer confidence, multi-decade low unemployment and strength in other economic indicators all supported US equities early in the reporting period. The Fed lifted the federal funds target rate 25 basis points each in September and December, ending with a range of 2.25% to 2.50%. During the fourth quarter of 2018, doubts about trade policy and the strength of the global economy arose. After four interest-rate increases in 2018, the Fed turned dovish and did not raise rates in January or in March, when it lowered its 2019 US economic growth forecast. In June, the Fed indicated a readiness to make interest-rate cuts if the economic outlook deteriorates.

Broad gauges of the global commodity complex were under pressure for much of the period amidst concerns over desynchronised global growth and China's demand outlook. The US-China trade dispute added to commodity headwinds and spurred uncertainty over global trade. Following a severe downtrend to close 2018, in the first quarter of 2019 the global commodities complex rallied back with its best quarterly result in nearly three years, driven in part by resilient demand and signs of tight supplies in many markets. This rally suggested investors were also anticipating a government policy-spurred recovery in China, which is the world's largest buyer of many raw materials. However, sources of geopolitical turmoil (focused on the US-China trade rivalry and Iran sanctions-related hostilities), in addition to economic stress relating to Brexit, have given commodity traders pause in recent months. Commodities generally sold off in April and May before regaining ground in June, leaving a broad commodity gauge with a decline for the one-year review period. Crude oil prices were beset by signs of excess inventory and weak demand from China, India and other economies across emerging Asia (the source of two-thirds of global oil-demand growth), which overshadowed major producers' efforts to pare global oversupply.

Elsewhere, risk assets around the world largely rallied during much of first half of 2019 despite intermittent periods of volatility, with credit spreads broadly tightening across much of the global fixed income markets. Our baseline view at the end of the reporting period was for trade agreements to be reached in the second half of 2019, though the tail risks for "no-deal" scenarios and ongoing tariff tensions remained elevated. We have observed some signs of a potentially broader deterioration in global economic activity and rising risks to market stability. In the United States, official unemployment is bottoming out at cyclical lows and the broader economy stands on the cusp of the longest expansion on record. Looking globally, the real interest rate for the G10 group of economies is now the lowest since 2007. Additionally, the euro remained vulnerable to unresolved structural and political risks across Europe, in our view, notably including debt sustainability and banking concerns in Italy. However, we believe markets generally have been overstating the probabilities for a near-term contraction in the US economy. The probability for slower growth in the second half of 2019 increased during the period, but the likelihood of a recession still remained quite low, in our assessment.

After June 30, 2019, political and economic events in Argentina drew considerable attention. The Franklin Templeton Valuation Committee (VC) has been closely monitoring developments in Argentina for potential impacts to valuation, with respect to both bond pricing and the foreign exchange rate. The VC will continue to monitor events and will make any changes that may be warranted in light of the circumstances.

THE INVESTMENT MANAGERS

September, 2019

Audit report

To the Shareholders of

FRANKLIN TEMPLETON INVESTMENT FUNDS

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of FRANKLIN TEMPLETON INVESTMENT FUNDS (the "Company") and of each of its sub-funds as at 30 June 2019, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

What we have audited

The Company's financial statements comprise:

- the statement of net assets as at 30 June 2019;
- the schedule of investments as at 30 June 2019;
- the statement of operations and changes in net assets for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

Other information

The Board of Directors of the Company is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Company for the financial statements

The Board of Directors of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Company is responsible for assessing the Company's and each of its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Company either intends to liquidate the Company or close any of its sub-funds or to cease operations, or has no realistic alternative but to do so.

PricewaterhouseCoopers, Société coopérative, 2 rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg
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Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)
R.C.S. Luxembourg B 65 477 –TVA LU25482518

Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Company;
- conclude on the appropriateness of the Board of Directors of the Company’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s or any of its subfunds’ ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Fund or any of its sub-funds (except for Franklin Asia Credit Fund, Franklin Brazil Opportunities Fund, Franklin K2 Global Macro Opportunities Fund and Templeton Global Currency Fund which have been, or will be, liquidated after 30 June 2019) to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 27 September 2019

Emmanuel Chataignier

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Fund Performance

Percentage Change to June 30, 2019

	Reference Share Class	Launch Date of Fund	6 Months %	1 Year %	3 Years ¹ %	5 Years ² %	10 Years ³ %	Since Launch ⁴ %
Franklin Asia Credit Fund	A (acc) USD	17 Nov 14	8.0	8.5	9.8	-	-	15.3
Franklin Biotechnology Discovery Fund	A (acc) USD	03 Apr 00	23.1	0.2	28.7	26.3	306.5	226.0
Franklin Brazil Opportunities Fund	A (acc) USD	27 Jul 12	4.6	12.1	20.1	7.6	-	15.2
Franklin Diversified Balanced Fund	A (acc) EUR	23 Mar 15	4.8	(4.8)	(2.8)	-	-	28.1
Franklin Diversified Conservative Fund	A (acc) EUR	23 Mar 15	3.9	(2.3)	(3.8)	-	-	30.6
Franklin Diversified Dynamic Fund	A (acc) EUR	23 Mar 15	5.8	(6.8)	(4.2)	-	-	24.2
Franklin Emerging Markets Debt Opportunities Hard Currency Fund	I (acc) USD	18 Jan 19	-	-	-	-	-	7.3
Franklin Euro Government Bond Fund	A (Ydis) EUR	08 Jan 99	5.4	5.7	2.1	11.5	39.1	79.2
Franklin Euro High Yield Fund	A (Ydis) EUR	17 Apr 00	6.0	3.9	11.9	13.6	98.0	97.5
Franklin Euro Short Duration Bond Fund	A (acc) EUR	21 Feb 14	0.6	0.0	(0.5)	0.6	-	1.6
Franklin Euro Short-Term Money Market Fund	A (acc) EUR	23 Oct 09	(0.3)	(0.6)	(1.7)	(2.0)	-	(0.8)
Franklin European Corporate Bond Fund	A (acc) EUR	30 Apr 10	4.8	4.2	6.4	11.2	-	36.6
Franklin European Dividend Fund	A (acc) EUR	29 Jul 11	11.9	0.1	15.9	15.5	-	69.0
Franklin European Growth Fund	A (acc) EUR	29 Dec 00	10.0	(5.2)	8.0	0.0	122.5	53.5
Franklin European Income Fund	A (acc) EUR	17 Nov 14	9.8	2.5	7.9	-	-	15.7
Franklin European Small-Mid Cap Fund	A (acc) EUR	03 Dec 01	11.3	(8.6)	15.7	15.8	149.5	265.7
Franklin European Total Return Fund	A (acc) EUR	29 Aug 03	4.4	4.3	3.9	13.0	58.8	56.2
Franklin Flexible Alpha Bond Fund	A (acc) USD	18 Mar 16	4.0	2.2	4.3	-	-	4.7
Franklin GCC Bond Fund	A (acc) USD	30 Aug 13	9.6	11.9	18.3	26.6	-	40.7
Franklin Global Aggregate Bond Fund	A (acc) USD	29 Oct 10	6.8	6.5	1.5	0.0	-	9.4
Franklin Global Convertible Securities Fund	A (acc) USD	24 Feb 12	16.4	11.5	38.9	31.2	-	60.2
Franklin Global Corporate Investment Grade Bond Fund	S (Ydis) USD	23 Jan 19	-	-	-	-	-	5.9
Franklin Global Fundamental Strategies Fund	A (acc) USD	25 Oct 07	7.5	(0.2)	15.9	1.7	70.9	40.1
Franklin Global Listed Infrastructure Fund	A (acc) USD	26 Apr 13	20.9	11.3	27.1	23.2	-	51.3
Franklin Global Multi-Asset Income Fund	A (acc) EUR	26 Apr 13	6.7	(3.5)	(4.4)	6.2	-	10.2
Franklin Global Real Estate Fund	A (acc) USD	29 Dec 05	14.7	6.5	8.2	17.4	145.5	32.1
Franklin Global Small-Mid Cap Fund	A (acc) USD	15 Apr 02	10.7	(6.9)	10.5	(5.1)	108.1	211.3
Franklin Gold and Precious Metals Fund	A (acc) USD	30 Apr 10	21.5	11.5	(22.9)	(18.4)	-	(55.3)
Franklin High Yield Fund	A (Mdis) USD	01 Mar 96	9.6	6.0	20.8	8.1	88.3	198.4
Franklin Income Fund	A (Mdis) USD	01 Jul 99	10.4	3.4	19.0	6.8	95.7	183.5
Franklin India Fund	A (acc) USD	25 Oct 05	7.8	1.2	22.7	35.5	119.5	285.2
Franklin Japan Fund	A (acc) JPY	01 Sep 00	0.8	(16.1)	15.5	13.7	62.1	(19.2)
Franklin K2 Alternative Strategies Fund	A (acc) USD	15 Sep 14	6.0	2.3	11.8	-	-	14.8
Franklin K2 Global Macro Opportunities Fund	A (acc) USD	04 Nov 16	3.7	3.4	-	-	-	(2.1)
Franklin K2 Long Short Credit Fund	A (acc) USD	02 Dec 16	3.5	2.7	-	-	-	7.3
Franklin MENA Fund	A (acc) USD	16 Jun 08	11.7	3.8	35.0	3.2	69.3	(28.2)
Franklin Natural Resources Fund	A (acc) USD	12 Jul 07	10.9	(19.9)	(8.7)	(46.1)	(9.0)	(40.1)
Franklin NextStep Balanced Growth Fund	A (acc) USD	05 Feb 16	10.1	3.1	16.5	-	-	25.8
Franklin NextStep Conservative Fund	A (acc) USD	05 Feb 16	7.3	5.0	9.6	-	-	15.9
Franklin NextStep Dynamic Growth Fund	A (acc) USD	05 Feb 16	11.4	2.4	19.3	-	-	30.2
Franklin NextStep Growth Fund	A (acc) USD	05 Feb 16	12.0	3.6	19.7	-	-	28.4
Franklin NextStep Moderate Fund	A (acc) USD	05 Feb 16	10.7	4.2	17.2	-	-	25.4
Franklin NextStep Stable Growth Fund	A (acc) USD	05 Feb 16	6.7	4.5	9.1	-	-	15.5
Franklin Select U.S. Equity Fund	A (acc) USD	01 Jul 99	19.8	7.1	38.4	30.8	147.9	200.4
Franklin Strategic Income Fund	A (acc) USD	12 Jul 07	7.4	6.3	10.4	6.7	56.6	60.3
Franklin Technology Fund	A (acc) USD	03 Apr 00	27.5	14.4	97.0	120.7	389.6	121.8
Franklin U.S. Dollar Short-Term Money Market Fund	A (Mdis) USD	01 Jun 94	1.1	1.9	3.4	3.2	2.2	63.4

Fund Performance (continued)

Percentage Change to June 30, 2019

	Reference Share Class	Launch Date of Fund	6 Months %	1 Year %	3 Years ^Ω %	5 Years ^Ω %	10 Years ^Ω %	Since Launch ^Ω %
Franklin U.S. Government Fund	A (Mdis) USD	28 Feb 91	3.7	4.6	2.1	5.2	22.8	178.9
Franklin U.S. Low Duration Fund	A (Mdis) USD	29 Aug 03	3.1	3.1	4.9	5.4	14.2	29.7
Franklin U.S. Opportunities Fund	A (acc) USD	03 Apr 00	25.3	10.2	63.6	65.3	273.3	83.2
Franklin World Perspectives Fund	A (acc) USD	14 Oct 08	15.9	1.0	29.6	20.1	134.2	134.9
Franklin Mutual European Fund	A (acc) EUR	03 Apr 00 [†]	10.1	(1.9)	12.4	3.2	85.8	112.6
Franklin Mutual Global Discovery Fund	A (acc) USD	25 Oct 05	14.0	1.4	21.5	4.9	78.3	96.3
Franklin Mutual U.S. Value Fund	A (acc) USD	07 Jul 97	13.2	3.7	21.2	17.2	140.2	253.0
Templeton Asian Bond Fund	A (acc) USD	25 Oct 05	1.2	3.4	8.5	(3.7)	32.6	79.7
Templeton Asian Growth Fund	A (Ydis) USD	30 Jun 91	13.4	(1.1)	32.5	(1.7)	75.9	282.8
Templeton Asian Smaller Companies Fund	A (acc) USD	14 Oct 08	9.9	(0.1)	29.6	26.5	214.3	382.8
Templeton BRIC Fund	A (acc) USD	25 Oct 05	14.0	3.8	53.9	23.2	37.0	86.2
Templeton China Fund	A (acc) USD	01 Sep 94	10.7	(3.5)	43.2	28.5	58.5	215.9
Templeton Eastern Europe Fund	A (acc) EUR	10 Nov 97	21.7	9.1	28.8	13.9	31.3	183.7
Templeton Emerging Markets Fund	A (Ydis) USD	28 Feb 91	13.7	2.6	37.3	12.1	61.2	284.5
Templeton Emerging Markets Balanced Fund	A (acc) USD	29 Apr 11	9.2	3.9	28.9	9.9	-	1.7
Templeton Emerging Markets Bond Fund	A (Qdis) USD	05 Jul 91	4.2	4.6	14.7	3.9	66.0	794.9
Templeton Emerging Markets Local Currency Bond Fund	A (acc) USD	20 Feb 18	4.7	6.1	-	-	-	(3.9)
Templeton Emerging Markets Smaller Companies Fund	A (acc) USD	18 Oct 07	8.1	(2.3)	22.8	18.8	118.0	17.3
Templeton Euroland Fund	A (acc) EUR	08 Jan 99	12.0	(4.9)	21.0	20.6	120.5	125.7
Templeton Frontier Markets Fund	A (acc) USD	14 Oct 08	9.2	(1.7)	14.6	(9.9)	54.1	83.7
Templeton Global Fund	A (Ydis) USD	28 Feb 91	6.9	(7.4)	18.6	(3.3)	91.1	334.6
Templeton Global Balanced Fund	A (Qdis) USD	01 Jun 94	8.2	(0.4)	19.2	1.7	74.1	249.9
Templeton Global Bond Fund	A (Mdis) USD	28 Feb 91	3.0	6.0	14.3	3.6	49.8	472.6
Templeton Global Bond (Euro) Fund	A (acc) EUR	29 Aug 03	(1.0)	(2.1)	(2.9)	(1.1)	30.6	52.0
Templeton Global Climate Change Fund	A (Ydis) EUR	26 Apr 91	12.8	0.9	20.4	20.5	127.6	368.5
Templeton Global Currency Fund	A (acc) USD	07 Oct 16	4.0	7.4	-	-	-	7.0
Templeton Global Equity Income Fund	A (acc) USD	27 May 05	8.6	(5.6)	24.7	(1.3)	70.7	42.7
Templeton Global High Yield Fund	A (acc) USD	27 Sep 07	7.5	6.1	14.2	5.7	69.5	59.8
Templeton Global Income Fund	A (acc) USD	27 May 05	5.1	(3.1)	14.8	(0.8)	68.3	95.0
Templeton Global Smaller Companies Fund	A (Ydis) USD	08 Jul 91	12.2	(6.9)	24.1	5.9	91.0	350.6
Templeton Global Total Return Fund	A (acc) USD	29 Aug 03	3.0	5.7	14.7	3.2	74.0	210.1
Templeton Growth (Euro) Fund	A (acc) EUR	09 Aug 00	7.5	(4.5)	13.5	15.5	135.5	66.7
Templeton Latin America Fund [†]	A (Ydis) USD	28 Feb 91	14.9	21.2	29.6	(8.0)	11.8	601.7
Templeton Thailand Fund	A (acc) USD	20 Jun 97	17.7	16.2	56.4	62.2	282.1	222.8

The Fund Performance disclosed in this table is the performance of the reference share class in base currency of the Fund.

Where Class A distribution "A (dis)" Shares are disclosed, the performance is calculated with all the income reinvested (total return). Information on other share classes is available on request.

^Ω Unaudited figures.

^{*} The launch date is for the Fund, however the reference share class launched at a later date.

[†] Fund performance prior to September 1996 excluded from calculation because a different portfolio allocation strategy was in use.

Information on other share classes is available on request. This report shall not constitute an offer or a solicitation of an offer to buy shares. Subscriptions are to be made on the basis of the current prospectus, where available the relevant Key Investor Information Documents ("KIIDs"), a copy of the latest available audited annual report and, if published thereafter, the latest unaudited semi-annual report. The price of shares and income from them can go down as well as up and you may not get back the full amount that you invested. Past performance is no guarantee of future performance. Currency fluctuations may affect the value of investments.

Data source: Performance – Franklin Templeton

Statement of Net Assets

at June 30, 2019

	Total (USD)	Franklin Asia Credit Fund (USD)	Franklin Biotechnology Discovery Fund (USD)	Franklin Brazil Opportunities Fund (USD)
ASSETS				
Investment in securities at market value (notes 2(b), 3)	88,820,552,766	8,168,306	1,843,015,118	21,417,097
Cash at Bank and at Brokers	3,508,120,220	394,633	42,148,458	2,772,877
Time deposits (note 4)	1,487,932,238	-	-	-
Amounts receivable on sale of investments	2,752,598,525	960,000	502,253	1,405,592
Amounts receivable on subscriptions	352,249,861	-	11,375,335	1,136
Interest and dividends receivable, net	815,805,123	96,771	113,694	576,908
Unrealised profit on forward foreign exchange contracts (notes 2(c), 5)	33,117,121	42,473	133,458	78,398
Unrealised profit on financial future contracts (notes 2(d), 6)	5,349,581	-	-	-
Unrealised profit on cross currency swap contracts (notes 2(g), 9)	435,432	-	-	-
Unrealised profit on total return swap contracts (notes 2(h), 10)	2,254,865	-	-	-
Credit default swap contracts at market value (notes 2(i), 11)	552,516	-	-	-
Option contracts at market value (notes 2(j), 12)	30,239,374	-	-	20,744
Investment in mortgage dollar rolls at market value (notes 2(l), 13)	30,002,046	-	-	-
Other receivables	36,163,838	-	-	-
TOTAL ASSETS	97,875,373,506	9,662,183	1,897,288,316	26,272,752
LIABILITIES				
Amounts payable on purchases of investments	267,295,897	-	3,638,006	-
Amounts payable on purchases of mortgage dollar rolls (note 2(l), 13)	30,019,840	-	-	-
Amounts payable on redemptions	417,980,284	1,199,783	30,142,340	1,762,993
Investment management fees payable (note 15)	68,861,832	5,078	1,467,320	21,132
Performance fees payable (note 16)	241,045	-	-	-
Bank overdraft	138,309	-	-	-
Unrealised loss on forward foreign exchange contracts (notes 2(c), 5)	105,860,049	-	-	-
Unrealised loss on financial future contracts (notes 2(d), 6)	2,624,134	-	-	1,349,932
Unrealised loss on interest rate swap contracts (notes 2(e), 7)	1,149,021,750	-	-	-
Unrealised loss on inflation swap contracts (notes 2(f), 8)	211,100	-	-	-
Unrealised loss on total return swap contracts (notes 2(h), 10)	189,128	-	-	-
Credit default swap contracts at market value (notes 2(i), 11)	7,456,334	-	-	-
Taxes and expenses payable	145,220,717	9,544	1,474,786	64,442
TOTAL LIABILITIES	2,195,120,419	1,214,405	36,722,452	3,198,499
TOTAL NET ASSETS	95,680,253,087	8,447,778	1,860,565,864	23,074,253
THREE YEAR ASSET SUMMARY				
June 30, 2018	101,982,609,080	8,445,896	2,185,214,017	25,312,964
June 30, 2017	106,341,225,772	8,920,119	2,408,642,311	28,894,121
June 30, 2016	104,023,441,025	8,597,799	2,038,926,588	21,737,459

¹This Fund was launched on January 18, 2019

Statement of Net Assets (continued)

at June 30, 2019

Franklin Diversified Balanced Fund (EUR)	Franklin Diversified Conservative Fund (EUR)	Franklin Diversified Dynamic Fund (EUR)	Franklin Emerging Markets Debt Opportunities Hard Currency Fund ¹ (USD)	Franklin Euro Government Bond Fund (EUR)	Franklin Euro High Yield Fund (EUR)	Franklin Euro Short Duration Bond Fund (EUR)
206,115,529	200,855,128	104,131,334	24,041,408	71,535,850	475,902,092	105,849,642
27,884,352	40,396,120	21,112,991	566,402	452,966	42,446,066	1,771,054
-	-	-	-	-	-	-
253	144	43	930,000	33	-	12,148,643
101,304	118,817	4,106	168,780	70,368	995,738	72,606
1,473,972	1,943,746	470,991	381,124	440,482	6,349,470	451,722
149,646	166,700	70,053	2,983	-	881,943	-
76,177	-	116,301	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,659,475	588,765	1,344,483	-	-	-	-
-	-	-	-	-	-	-
78,863	31,665	57,750	1,949	1,191	742	4,974
237,539,571	244,101,085	127,308,052	26,092,646	72,500,890	526,576,051	120,298,641
66,978	69,129	32,067	186,957	-	-	6,020,196
-	-	-	-	-	-	-
149,285	672,534	32,924	-	311,679	1,569,997	175,407
135,417	140,618	83,465	14,041	18,962	330,623	20,967
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	309,542
-	117,461	-	-	89,983	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
47,064	44,244	22,533	-	-	-	-
-	-	-	-	-	-	-
193,124	199,908	164,412	11,516	52,352	484,033	47,126
591,868	1,243,894	335,401	212,514	472,976	2,384,653	6,573,238
236,947,703	242,857,191	126,972,651	25,880,132	72,027,914	524,191,398	113,725,403
272,770,646	355,924,700	137,509,455	-	48,996,905	589,123,493	137,112,468
212,716,472	305,343,335	86,613,579	-	90,465,722	727,071,302	79,066,843
127,631,180	145,567,427	69,274,995	-	140,926,194	838,271,805	74,491,380

Statement of Net Assets (continued)

at June 30, 2019

	Franklin Euro Short-Term Money Market Fund (EUR)	Franklin European Corporate Bond Fund (EUR)	Franklin European Dividend Fund (EUR)	Franklin European Growth Fund (EUR)
ASSETS				
Investment in securities at market value (notes 2(b), 3)	71,567,059	71,495,270	105,301,056	256,953,091
Cash at Bank and at Brokers	7,510,544	2,773,491	1,587,415	727,630
Time deposits (note 4)	-	-	-	-
Amounts receivable on sale of investments	-	687,048	1,620,317	3,122,066
Amounts receivable on subscriptions	1,334,791	150,196	362,990	114,887
Interest and dividends receivable, net	17,825	524,673	178,156	106,649
Unrealised profit on forward foreign exchange contracts (notes 2(c), 5)	-	-	28,198	-
Unrealised profit on financial future contracts (notes 2(d), 6)	-	-	-	-
Unrealised profit on cross currency swap contracts (notes 2(g), 9)	-	-	-	-
Unrealised profit on total return swap contracts (notes 2(h), 10)	-	-	-	-
Credit default swap contracts at market value (notes 2(i), 11)	-	-	-	-
Option contracts at market value (notes 2(j), 12)	-	-	-	-
Investment in mortgage dollar rolls at market value (notes 2(l), 13)	-	-	-	-
Other receivables	17,547	875	362,900	1,307,265
TOTAL ASSETS	80,447,766	75,631,553	109,441,032	262,331,588
LIABILITIES				
Amounts payable on purchases of investments	-	1,247,692	-	2,630,786
Amounts payable on purchases of mortgage dollar rolls (note 2(l), 13)	-	-	-	-
Amounts payable on redemptions	75,000	49,420	260,099	690,120
Investment management fees payable (note 15)	15,970	25,543	81,930	206,396
Performance fees payable (note 16)	-	-	-	-
Bank overdraft	-	-	-	-
Unrealised loss on forward foreign exchange contracts (notes 2(c), 5)	-	-	-	148,640
Unrealised loss on financial future contracts (notes 2(d), 6)	-	-	-	-
Unrealised loss on interest rate swap contracts (notes 2(e), 7)	-	-	-	-
Unrealised loss on inflation swap contracts (notes 2(f), 8)	-	-	-	-
Unrealised loss on total return swap contracts (notes 2(h), 10)	-	-	-	-
Credit default swap contracts at market value (notes 2(i), 11)	-	-	-	-
Taxes and expenses payable	87,782	55,093	85,707	283,781
TOTAL LIABILITIES	178,752	1,377,748	427,736	3,959,723
TOTAL NET ASSETS	80,269,014	74,253,805	109,013,296	258,371,865
THREE YEAR ASSET SUMMARY				
June 30, 2018	102,289,569	73,905,855	107,567,674	397,812,910
June 30, 2017	118,230,964	104,153,323	152,193,195	736,996,088
June 30, 2016	153,098,075	178,315,684	132,881,905	686,207,149

²This Fund had its name changed effective on May 17, 2019 (refer to Note 1)

Statement of Net Assets (continued)

at June 30, 2019

Franklin European Income Fund (EUR)	Franklin European Small-Mid Cap Fund ² (EUR)	Franklin European Total Return Fund (EUR)	Franklin Flexible Alpha Bond Fund (USD)	Franklin GCC Bond Fund (USD)	Franklin Global Aggregate Bond Fund (USD)	Franklin Global Convertible Securities Fund (USD)
19,261,206	286,647,295	250,440,773	392,382,823	134,688,295	18,937,685	664,286,531
1,103,153	3,578,228	5,376,832	22,690,625	78,856	1,546,673	12,797,995
-	-	-	-	5,300,000	-	-
13,551	272,553	609,107	38,159,184	1,016,085	2,291	35,956,792
45,549	36,669	17,634,406	8,125	964,369	464,531	18,659,213
96,965	905,735	1,515,172	2,997,522	1,645,753	206,605	1,990,159
-	-	68,571	577,641	698,807	74,654	3,677,291
-	-	-	-	-	-	-
-	-	-	413,729	-	-	-
-	-	-	689,932	-	-	-
-	-	-	-	-	-	-
-	-	-	83,714	-	-	-
-	-	-	14,023,341	-	-	-
25,684	3,238,019	26,746	59,486	-	4,453	-
20,546,108	294,678,499	275,671,607	472,086,122	144,392,165	21,236,892	737,367,981
-	64,209	9,473,233	7,287,013	1,450,000	819,407	16,263,476
-	-	-	14,033,976	-	-	-
46,371	1,965,871	653,112	28,222	152,641	2,890	1,892,988
13,469	208,146	79,220	5,023	57,034	8,618	374,641
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,664	4,678	-	-	-	-	-
-	-	455,058	521,037	-	-	-
-	-	-	940,336	-	-	-
-	-	-	193,338	-	-	-
-	-	-	-	-	-	-
-	-	-	2,118,373	-	-	-
22,400	234,457	290,303	54,157	39,825	30,566	364,681
84,904	2,477,361	10,950,926	25,181,475	1,699,500	861,481	18,895,786
20,461,204	292,201,138	264,720,681	446,904,647	142,692,665	20,375,411	718,472,195
21,094,704	435,473,434	472,606,884	629,426,052	86,795,362	91,187,076	206,962,616
17,654,854	512,480,130	550,100,840	341,435,113	56,209,469	89,242,077	109,204,730
19,112,302	630,857,606	342,927,026	310,655,006	47,711,986	81,204,083	75,977,729

Statement of Net Assets (continued)

at June 30, 2019

	Franklin Global Corporate Investment Grade Bond Fund ³ (USD)	Franklin Global Fundamental Strategies Fund (USD)	Franklin Global Listed Infrastructure Fund (USD)	Franklin Global Multi-Asset Income Fund (EUR)
ASSETS				
Investment in securities at market value (notes 2(b), 3)	7,953,929	1,606,335,456	57,256,862	219,468,687
Cash at Bank and at Brokers	443,907	69,597,383	89,785	4,943,170
Time deposits (note 4)	-	-	1,100,000	-
Amounts receivable on sale of investments	-	184,394,447	554	318
Amounts receivable on subscriptions	-	703,917	589,855	222,670
Interest and dividends receivable, net	78,773	10,753,000	113,843	1,519,266
Unrealised profit on forward foreign exchange contracts (notes 2(c), 5)	-	652,949	-	-
Unrealised profit on financial future contracts (notes 2(d), 6)	-	-	-	6,707
Unrealised profit on cross currency swap contracts (notes 2(g), 9)	-	-	-	-
Unrealised profit on total return swap contracts (notes 2(h), 10)	-	-	-	-
Credit default swap contracts at market value (notes 2(i), 11)	-	-	-	-
Option contracts at market value (notes 2(j), 12)	-	426,251	-	1,573,239
Investment in mortgage dollar rolls at market value (notes 2(l), 13)	-	-	-	-
Other receivables	2,430	1,033,932	35,140	174,130
TOTAL ASSETS	8,479,039	1,873,897,335	59,186,039	227,908,187
LIABILITIES				
Amounts payable on purchases of investments	-	1,742,704	1,138,221	74,240
Amounts payable on purchases of mortgage dollar rolls (note 2(l), 13)	-	-	-	-
Amounts payable on redemptions	-	2,328,422	103,861	950,961
Investment management fees payable (note 15)	2,753	1,487,626	32,061	151,909
Performance fees payable (note 16)	-	-	-	-
Bank overdraft	-	-	-	-
Unrealised loss on forward foreign exchange contracts (notes 2(c), 5)	-	-	314	154,509
Unrealised loss on financial future contracts (notes 2(d), 6)	-	-	-	-
Unrealised loss on interest rate swap contracts (notes 2(e), 7)	-	10,746,698	-	-
Unrealised loss on inflation swap contracts (notes 2(f), 8)	-	-	-	-
Unrealised loss on total return swap contracts (notes 2(h), 10)	-	-	-	25,728
Credit default swap contracts at market value (notes 2(i), 11)	-	-	-	-
Taxes and expenses payable	7,129	2,045,269	39,489	197,034
TOTAL LIABILITIES	9,882	18,350,719	1,313,946	1,554,381
TOTAL NET ASSETS	8,469,157	1,855,546,616	57,872,093	226,353,806
THREE YEAR ASSET SUMMARY				
June 30, 2018	-	1,953,764,526	80,953,870	322,054,366
June 30, 2017	-	2,050,664,897	69,873,407	339,752,720
June 30, 2016	-	1,785,550,418	60,542,687	135,211,370

²This Fund had its name changed effective on May 17, 2019 (refer to Note 1)

³This Fund was launched on January 23, 2019

Statement of Net Assets (continued)

at June 30, 2019

Franklin Global Real Estate Fund (USD)	Franklin Global Small-Mid Cap Fund ² (USD)	Franklin Gold and Precious Metals Fund (USD)	Franklin High Yield Fund (USD)	Franklin Income Fund (USD)	Franklin India Fund (USD)	Franklin Japan Fund (JPY)
152,835,148	79,974,241	262,906,994	1,569,176,873	1,415,883,287	2,024,166,285	8,175,760,660
353,615	778,999	1,836,480	20,470,804	10,558,743	11,869,688	145,150,714
-	-	-	-	-	9,000,000	-
1,720,157	37	2,139,132	55,770,644	43,706,521	8,154,807	47,996,937
229,408	71,758	2,345,510	1,127,879	5,800,514	4,411,267	12,164,756
692,609	22,644	18,718	25,258,800	11,633,091	1,686,670	36,728,996
244,438	-	247,109	210,867	1,379,409	596,291	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	1,890,694	-	-
-	-	-	-	-	-	-
23,653	1,000,424	-	101,440	541,028	-	9,231
156,099,028	81,848,103	269,493,943	1,672,117,307	1,491,393,287	2,059,885,008	8,417,811,294
407,101	30,079	-	13,700,000	-	10,886,218	-
-	-	-	-	-	-	-
1,410,024	164,830	7,844,698	2,923,996	4,713,799	6,592,653	137,470,295
116,597	65,541	202,160	1,073,984	1,009,008	1,504,091	6,596,346
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	628,763
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
187,682	93,174	232,447	1,960,805	1,616,820	12,008,379	18,874,663
2,121,404	353,624	8,279,305	19,658,785	7,339,627	30,991,341	163,570,067
153,977,624	81,494,479	261,214,638	1,652,458,522	1,484,053,660	2,028,893,667	8,254,241,227
203,221,322	111,463,910	216,042,075	1,935,878,158	1,669,750,494	3,306,103,248	26,937,411,320
251,611,501	163,701,065	250,181,745	2,466,883,234	2,200,863,666	4,279,578,096	32,561,977,383
342,101,642	200,170,691	245,152,174	2,648,362,272	2,413,536,952	3,238,697,682	26,519,107,459

Statement of Net Assets (continued)

at June 30, 2019

	Franklin K2 Alternative Strategies Fund (USD)	Franklin K2 Global Macro Opportunities Fund (USD)	Franklin K2 Long Short Credit Fund (USD)	Franklin MENA Fund (USD)
ASSETS				
Investment in securities at market value (notes 2(b), 3)	1,294,803,541	7,147,422	67,989,446	93,532,931
Cash at Bank and at Brokers	265,009,466	4,200,289	5,119,017	2,691,909
Time deposits (note 4)	695,265,000	13,964,000	21,743,400	-
Amounts receivable on sale of investments	27,992,945	-	878,636	1,695,770
Amounts receivable on subscriptions	6,725,590	-	34,142	305,516
Interest and dividends receivable, net	5,226,513	77,366	778,933	67,747
Unrealised profit on forward foreign exchange contracts (notes 2(c), 5)	7,499,394	-	137,481	61,408
Unrealised profit on financial future contracts (notes 2(d), 6)	3,738,490	157,657	2,020	-
Unrealised profit on cross currency swap contracts (notes 2(g), 9)	-	-	-	-
Unrealised profit on total return swap contracts (notes 2(h), 10)	353,153	5,718	-	-
Credit default swap contracts at market value (notes 2(i), 11)	536,647	15,869	-	-
Option contracts at market value (notes 2(j), 12)	694,491	-	77,365	-
Investment in mortgage dollar rolls at market value (notes 2(l), 13)	-	-	-	-
Other receivables	1,649,143	63,008	198,105	3,491
TOTAL ASSETS	2,309,494,373	25,631,329	96,958,545	98,358,772
LIABILITIES				
Amounts payable on purchases of investments	31,421,689	75,582	1,353,032	1,984,360
Amounts payable on purchases of mortgage dollar rolls (note 2(l), 13)	-	-	-	-
Amounts payable on redemptions	5,402,900	113,216	114,105	490,979
Investment management fees payable (note 15)	3,117,199	37,160	139,973	106,536
Performance fees payable (note 16)	240,777	-	268	-
Bank overdraft	-	-	-	-
Unrealised loss on forward foreign exchange contracts (notes 2(c), 5)	-	8,450	-	-
Unrealised loss on financial future contracts (notes 2(d), 6)	-	-	-	-
Unrealised loss on interest rate swap contracts (notes 2(e), 7)	397,332	13,468	137,828	-
Unrealised loss on inflation swap contracts (notes 2(f), 8)	-	-	-	-
Unrealised loss on total return swap contracts (notes 2(h), 10)	-	-	30,459	-
Credit default swap contracts at market value (notes 2(i), 11)	-	-	412,641	-
Taxes and expenses payable	1,390,406	114,271	144,440	136,652
TOTAL LIABILITIES	41,970,303	362,147	2,332,746	2,718,527
TOTAL NET ASSETS	2,267,524,070	25,269,182	94,625,799	95,640,245
THREE YEAR ASSET SUMMARY				
June 30, 2018	2,410,932,627	24,987,801	97,806,969	138,386,723
June 30, 2017	1,320,092,754	25,215,832	73,961,073	86,705,941
June 30, 2016	1,084,826,827	-	-	95,875,802

Statement of Net Assets (continued)

at June 30, 2019

Franklin Natural Resources Fund (USD)	Franklin NextStep Balanced Growth Fund (USD)	Franklin NextStep Conservative Fund (USD)	Franklin NextStep Dynamic Growth Fund (USD)	Franklin NextStep Growth Fund (USD)	Franklin NextStep Moderate Fund (USD)	Franklin NextStep Stable Growth Fund (USD)
255,976,730	143,136,600	38,822,345	28,727,224	28,197,916	73,504,963	21,057,693
2,177,951	70,505	77,520	65,626	-	68,078	32,968
-	2,700,000	1,100,000	500,000	700,000	1,400,000	500,000
5,430,000	1,897,762	70	249,698	66,775	65,792	123,076
3,128,785	-	-	-	22,659	87,374	256
367,910	-	-	-	-	-	-
385,211	-	407,965	13,856	78,410	269,808	4,399
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
38,265	-	2,721	1,675	2,634	4,696	1,094
267,504,852	147,804,867	40,410,621	29,558,079	29,068,394	75,400,711	21,719,486
1,876,099	88	-	-	12	19	-
-	-	-	-	-	-	-
3,100,519	2,140,774	39,235	223,166	46,019	178,964	-
198,129	102,973	24,128	20,346	22,363	53,927	14,298
-	-	-	-	-	-	-
-	-	-	-	138,309	-	-
-	4,122	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
277,200	100,050	28,818	27,363	25,617	56,477	17,702
5,451,947	2,348,007	92,181	270,875	232,320	289,387	32,000
262,052,905	145,456,860	40,318,440	29,287,204	28,836,074	75,111,324	21,687,486
351,976,498	257,583,066	37,825,419	60,806,068	26,984,353	75,584,143	22,169,010
357,146,962	141,120,021	22,235,224	31,624,652	14,170,474	39,419,097	19,876,634
301,524,049	9,828,108	7,141,045	4,497,653	3,376,470	8,501,020	6,077,952

Statement of Net Assets (continued)

at June 30, 2019

	Franklin Select U.S. Equity Fund ⁴ (USD)	Franklin Strategic Income Fund (USD)	Franklin Technology Fund (USD)	Franklin U.S. Dollar Short-Term Money Market Fund ⁵ (USD)
ASSETS				
Investment in securities at market value (notes 2(b), 3)	364,749,539	798,036,308	2,918,199,373	276,180,864
Cash at Bank and at Brokers	1,561,064	11,278,361	108,093,257	4,331
Time deposits (note 4)	-	-	-	-
Amounts receivable on sale of investments	3,885,009	18,257,653	71,078	85,725,000
Amounts receivable on subscriptions	967,494	7,496,768	28,910,921	5,409,699
Interest and dividends receivable, net	136,453	7,414,194	1,733,753	-
Unrealised profit on forward foreign exchange contracts (notes 2(c), 5)	128,249	2,850,985	311,514	-
Unrealised profit on financial future contracts (notes 2(d), 6)	-	320,426	-	-
Unrealised profit on cross currency swap contracts (notes 2(g), 9)	-	11,838	-	-
Unrealised profit on total return swap contracts (notes 2(h), 10)	-	892,194	-	-
Credit default swap contracts at market value (notes 2(i), 11)	-	-	-	-
Option contracts at market value (notes 2(j), 12)	-	-	-	-
Investment in mortgage dollar rolls at market value (notes 2(l), 13)	-	7,296,420	-	-
Other receivables	-	157,080	129,398	79,596
TOTAL ASSETS	371,427,808	854,012,227	3,057,449,294	367,399,490
LIABILITIES				
Amounts payable on purchases of investments	-	1,811,611	4,365,000	-
Amounts payable on purchases of mortgage dollar rolls (note 2(l), 13)	-	7,298,001	-	-
Amounts payable on redemptions	1,161,874	1,593,098	21,147,046	2,223,437
Investment management fees payable (note 15)	271,590	464,285	2,307,121	87,084
Performance fees payable (note 16)	-	-	-	-
Bank overdraft	-	-	-	-
Unrealised loss on forward foreign exchange contracts (notes 2(c), 5)	-	-	-	-
Unrealised loss on financial future contracts (notes 2(d), 6)	-	-	-	-
Unrealised loss on interest rate swap contracts (notes 2(e), 7)	-	-	-	-
Unrealised loss on inflation swap contracts (notes 2(f), 8)	-	-	-	-
Unrealised loss on total return swap contracts (notes 2(h), 10)	-	-	-	-
Credit default swap contracts at market value (notes 2(i), 11)	-	4,100,638	-	-
Taxes and expenses payable	400,188	902,595	2,027,318	244,023
TOTAL LIABILITIES	1,833,652	16,170,228	29,846,485	2,554,544
TOTAL NET ASSETS	369,594,156	837,841,999	3,027,602,809	364,844,946
THREE YEAR ASSET SUMMARY				
June 30, 2018	419,996,049	965,025,829	2,624,600,522	332,606,406
June 30, 2017	461,625,826	1,123,520,954	1,229,456,650	310,691,013
June 30, 2016	506,167,855	1,179,933,357	912,322,077	403,995,936

⁴ This Fund had its name changed effective on August 1, 2018 (refer to Note 1)

⁵ This Fund had its name changed effective on January 28, 2019 (refer to Note 1)

Statement of Net Assets (continued)

at June 30, 2019

Franklin U.S. Government Fund (USD)	Franklin U.S. Low Duration Fund (USD)	Franklin U.S. Opportunities Fund (USD)	Franklin World Perspectives Fund (USD)	Franklin Mutual European Fund (EUR)	Franklin Mutual Global Discovery Fund (USD)	Franklin Mutual U.S. Value Fund (USD)
692,229,102	670,431,413	4,180,860,531	367,936,187	824,343,603	598,625,292	382,935,042
12,531,422	5,828,560	7,343,117	1,537,096	19,445,649	4,148,053	463,409
-	-	-	4,000,000	-	-	-
31,295,001	13,945,684	3,580	104,151	18,600,271	19,438,215	13,615,989
7,540,919	2,264,513	11,735,994	135,517	644,394	125,696	264,447
2,192,326	3,862,576	721,573	488,601	2,709,679	2,085,877	877,474
59,375	1,346,929	6,095,228	-	-	317,970	40,412
-	904,545	-	-	-	-	-
-	9,865	-	-	-	-	-
-	313,868	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
8,682,285	-	-	-	-	-	-
-	24,795	40,799	277,802	3,012,436	406,834	101,027
754,530,430	698,932,748	4,206,800,822	374,479,354	868,756,032	625,147,937	398,297,800
-	870,940	-	-	17,799	262,739	270,256
8,687,863	-	-	-	-	-	-
2,747,427	839,444	20,914,748	750,150	2,755,301	1,587,639	522,288
357,664	273,359	3,109,138	274,574	655,417	472,077	300,871
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	358,380	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	17,762	-	-	-	-	-
-	-	-	-	-	-	-
-	824,682	-	-	-	-	-
683,939	498,523	3,162,457	473,532	1,759,370	694,642	934,545
12,476,893	3,324,710	27,186,343	1,498,256	5,546,267	3,017,097	2,027,960
742,053,537	695,608,038	4,179,614,479	372,981,098	863,209,765	622,130,840	396,269,840
625,792,030	749,695,138	3,881,876,880	422,637,403	1,193,519,552	761,194,397	490,623,618
855,045,873	1,184,520,738	2,937,414,397	312,784,198	1,613,768,701	980,850,083	750,634,285
1,211,181,698	904,479,104	3,723,344,289	363,338,333	1,808,035,248	942,338,326	641,560,164

Statement of Net Assets (continued)

at June 30, 2019

	Templeton Asian Bond Fund (USD)	Templeton Asian Growth Fund (USD)	Templeton Asian Smaller Companies Fund (USD)	Templeton BRIC Fund (USD)
ASSETS				
Investment in securities at market value (notes 2(b), 3)	379,648,242	2,965,661,733	1,488,452,723	647,837,288
Cash at Bank and at Brokers	32,204,063	123,521	2,909,002	715,618
Time deposits (note 4)	-	117,000,000	83,000,000	18,000,000
Amounts receivable on sale of investments	22,813,041	41,626,271	15,171	1,203
Amounts receivable on subscriptions	1,080,771	9,528,421	6,247,449	722,581
Interest and dividends receivable, net	5,852,957	15,361,803	2,698,941	4,724,721
Unrealised profit on forward foreign exchange contracts (notes 2(c), 5)	-	1,169,817	10,130	130,322
Unrealised profit on financial future contracts (notes 2(d), 6)	-	-	-	-
Unrealised profit on cross currency swap contracts (notes 2(g), 9)	-	-	-	-
Unrealised profit on total return swap contracts (notes 2(h), 10)	-	-	-	-
Credit default swap contracts at market value (notes 2(i), 11)	-	-	-	-
Option contracts at market value (notes 2(j), 12)	93,354	-	-	-
Investment in mortgage dollar rolls at market value (notes 2(l), 13)	-	-	-	-
Other receivables	53,000	-	-	-
TOTAL ASSETS	441,745,428	3,150,471,566	1,583,333,416	672,131,733
LIABILITIES				
Amounts payable on purchases of investments	1,354,374	24,413,708	3,539,639	1,904,795
Amounts payable on purchases of mortgage dollar rolls (note 2(l), 13)	-	-	-	-
Amounts payable on redemptions	985,602	10,472,428	2,754,233	4,516,010
Investment management fees payable (note 15)	243,163	3,232,882	1,350,671	845,621
Performance fees payable (note 16)	-	-	-	-
Bank overdraft	-	-	-	-
Unrealised loss on forward foreign exchange contracts (notes 2(c), 5)	163,669	-	-	-
Unrealised loss on financial future contracts (notes 2(d), 6)	-	-	-	-
Unrealised loss on interest rate swap contracts (notes 2(e), 7)	15,158,688	-	-	-
Unrealised loss on inflation swap contracts (notes 2(f), 8)	-	-	-	-
Unrealised loss on total return swap contracts (notes 2(h), 10)	-	-	-	-
Credit default swap contracts at market value (notes 2(i), 11)	-	-	-	-
Taxes and expenses payable	1,701,770	6,048,137	2,751,998	1,857,284
TOTAL LIABILITIES	19,607,266	44,167,155	10,396,541	9,123,710
TOTAL NET ASSETS	422,138,162	3,106,304,411	1,572,936,875	663,008,023
THREE YEAR ASSET SUMMARY				
June 30, 2018	547,874,433	3,795,392,747	1,665,977,311	766,634,429
June 30, 2017	673,256,171	4,944,781,465	1,577,382,433	761,260,242
June 30, 2016	841,044,530	4,508,040,016	1,126,815,386	683,471,085

Statement of Net Assets (continued)

at June 30, 2019

Templeton China Fund	Templeton Eastern Europe Fund	Templeton Emerging Markets Fund	Templeton Emerging Markets Balanced Fund	Templeton Emerging Markets Bond Fund	Templeton Emerging Markets Local Currency Bond Fund	Templeton Emerging Markets Smaller Companies Fund
(USD)	(EUR)	(USD)	(USD)	(USD)	(USD)	(USD)
415,407,235	245,886,062	946,731,636	133,578,263	10,302,267,221	24,711,570	929,833,974
462,720	4,746,598	1,192,614	6,349,993	305,562,018	1,425,376	14,763,409
5,000,000	-	12,000,000	-	-	-	-
456,520	-	775	15,530,592	493,323,950	3,506,103	35,341,992
1,134,373	237,411	605,415	938,199	44,479,027	188,813	3,085,130
2,573,847	3,325,131	5,061,360	1,612,409	197,421,690	515,476	2,302,851
-	-	113,420	372,257	-	111,325	62,055
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	31,839	5,238,521	-	-
-	-	-	-	-	-	-
-	516,695	355,061	19,314	1,705,689	4,507	258,191
425,034,695	254,711,897	966,060,281	158,432,866	11,349,998,116	30,463,170	985,647,602
210,807	1,024,340	45	245,508	10,381,656	281	1,741
-	-	-	-	-	-	-
3,802,462	1,774,825	5,842,550	816,766	32,326,315	-	28,869,477
522,681	316,380	838,200	157,208	8,640,341	17,293	931,995
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	4,871,807	-	-
-	-	-	-	-	-	-
-	-	-	228,786	71,375,029	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
639,639	612,926	2,496,615	239,929	16,074,926	22,212	1,459,726
5,175,589	3,728,471	9,177,410	1,688,197	143,670,074	39,786	31,262,939
419,859,106	250,983,426	956,882,871	156,744,669	11,206,328,042	30,423,384	954,384,663
519,042,458	250,196,311	970,862,932	132,161,280	9,908,350,175	19,328,901	1,060,586,206
525,402,818	310,573,410	768,743,294	64,654,834	6,296,345,122	-	778,914,351
529,554,974	270,212,102	525,175,142	44,032,095	3,822,276,997	-	483,632,814

Statement of Net Assets (continued)

at June 30, 2019

	Templeton Euroland Fund (EUR)	Templeton Frontier Markets Fund (USD)	Templeton Global Fund (USD)	Templeton Global Balanced Fund (USD)
ASSETS				
Investment in securities at market value (notes 2(b), 3)	445,770,960	590,978,480	878,878,715	695,375,265
Cash at Bank and at Brokers	1,924,932	11,659,795	709,811	126,901,682
Time deposits (note 4)	-	14,000,000	33,000,000	-
Amounts receivable on sale of investments	2,282,292	3,304,463	8,336,743	4,090,542
Amounts receivable on subscriptions	1,002,128	3,180,276	497,912	636,938
Interest and dividends receivable, net	177,518	1,224,794	2,733,486	4,291,559
Unrealised profit on forward foreign exchange contracts (notes 2(c), 5)	-	506,630	-	-
Unrealised profit on financial future contracts (notes 2(d), 6)	-	-	-	-
Unrealised profit on cross currency swap contracts (notes 2(g), 9)	-	-	-	-
Unrealised profit on total return swap contracts (notes 2(h), 10)	-	-	-	-
Credit default swap contracts at market value (notes 2(i), 11)	-	-	-	-
Option contracts at market value (notes 2(j), 12)	-	-	-	-
Investment in mortgage dollar rolls at market value (notes 2(l), 13)	-	-	-	-
Other receivables	1,599,200	-	1,009,206	368,581
TOTAL ASSETS	452,757,030	624,854,438	925,165,873	831,664,567
LIABILITIES				
Amounts payable on purchases of investments	2,245,509	4,075,679	3,820,186	-
Amounts payable on purchases of mortgage dollar rolls (note 2(l), 13)	-	-	-	-
Amounts payable on redemptions	4,597,631	1,202,142	1,886,130	2,513,863
Investment management fees payable (note 15)	332,848	704,460	689,643	525,504
Performance fees payable (note 16)	-	-	-	-
Bank overdraft	-	-	-	-
Unrealised loss on forward foreign exchange contracts (notes 2(c), 5)	6,238	-	-	177,008
Unrealised loss on financial future contracts (notes 2(d), 6)	-	-	-	-
Unrealised loss on interest rate swap contracts (notes 2(e), 7)	-	-	-	-
Unrealised loss on inflation swap contracts (notes 2(f), 8)	-	-	-	-
Unrealised loss on total return swap contracts (notes 2(h), 10)	-	-	-	-
Credit default swap contracts at market value (notes 2(i), 11)	-	-	-	-
Taxes and expenses payable	436,223	5,110,582	1,076,815	1,039,651
TOTAL LIABILITIES	7,618,449	11,092,863	7,472,774	4,256,026
TOTAL NET ASSETS	445,138,581	613,761,575	917,693,099	827,408,541
THREE YEAR ASSET SUMMARY				
June 30, 2018	699,571,319	668,087,891	1,151,854,028	915,673,862
June 30, 2017	465,137,539	882,514,750	1,259,094,531	953,322,447
June 30, 2016	225,841,210	816,651,982	1,159,102,438	938,407,418

Statement of Net Assets (continued)

at June 30, 2019

Templeton Global Bond Fund (USD)	Templeton Global Bond (Euro) Fund (EUR)	Templeton Global Climate Change Fund (EUR)	Templeton Global Currency Fund (USD)	Templeton Global Equity Income Fund (USD)	Templeton Global High Yield Fund (USD)	Templeton Global Income Fund (USD)
13,901,690,929	258,087,338	608,440,111	6,793,631	92,744,161	124,469,972	642,091,842
1,106,460,508	25,196,767	10,188,536	1,599,631	213,909	4,422,143	27,431,303
-	-	-	-	3,000,000	-	-
733,530,528	175,442	-	2,340,000	202	6,482,362	35,396,786
59,296,917	533,482	275,476	19,903	40,237	1,060,637	286,135
188,445,083	4,387,379	2,600,256	55,050	266,657	2,622,532	5,692,912
-	-	-	37,694	977	129,898	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
7,273,329	-	-	-	-	23,232	135,548
-	-	-	-	-	-	-
4,735,609	35,572	780,388	1,654	120,501	9,892	858,447
16,001,432,903	288,415,980	622,284,767	10,847,563	96,386,644	139,220,668	711,892,973
37,887,515	443,731	1,346,963	-	-	1,608,031	6,345,725
-	-	-	-	-	-	-
59,055,763	880,704	136,487	2,060,382	248,208	170,789	3,728,484
8,637,286	151,358	498,923	5,889	77,047	92,490	466,576
-	-	-	-	-	-	-
-	-	-	-	-	-	-
61,333,395	951,564	1,740	-	-	-	727,856
-	-	-	-	-	-	-
560,542,925	4,433,432	-	-	-	1,100,204	4,037,075
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
28,407,193	486,657	644,285	14,688	148,059	184,027	862,371
755,864,077	7,347,446	2,628,398	2,080,959	473,314	3,155,541	16,168,087
15,245,568,826	281,068,534	619,656,369	8,766,604	95,913,330	136,065,127	695,724,886
15,504,808,485	311,170,103	644,131,608	11,532,277	141,000,794	145,646,981	912,320,444
18,426,706,919	325,525,488	693,378,176	8,481,440	150,633,469	180,421,557	1,137,684,998
22,001,556,826	365,968,734	620,499,565	-	164,081,704	163,016,307	1,481,892,095

Statement of Net Assets (continued)

at June 30, 2019

	Templeton Global Smaller Companies Fund (USD)	Templeton Global Total Return Fund (USD)	Templeton Growth (Euro) Fund (EUR)	Templeton Latin America Fund (USD)
ASSETS				
Investment in securities at market value (notes 2(b), 3)	98,950,077	15,961,012,824	6,416,890,624	993,370,866
Cash at Bank and at Brokers	992,071	927,404,087	41,457,765	494,179
Time deposits (note 4)	4,000,000	-	362,985,291	8,000,000
Amounts receivable on sale of investments	258,893	685,820,542	9,081,087	4,907,346
Amounts receivable on subscriptions	106,135	65,054,719	685,603	1,300,566
Interest and dividends receivable, net	249,693	231,310,595	18,692,394	1,669,990
Unrealised profit on forward foreign exchange contracts (notes 2(c), 5)	-	-	-	295,308
Unrealised profit on financial future contracts (notes 2(d), 6)	-	-	-	-
Unrealised profit on cross currency swap contracts (notes 2(g), 9)	-	-	-	-
Unrealised profit on total return swap contracts (notes 2(h), 10)	-	-	-	-
Credit default swap contracts at market value (notes 2(i), 11)	-	-	-	-
Option contracts at market value (notes 2(j), 12)	-	8,377,368	-	-
Investment in mortgage dollar rolls at market value (notes 2(l), 13)	-	-	-	-
Other receivables	98,812	2,277,388	4,826,054	-
TOTAL ASSETS	104,655,681	17,881,257,523	6,854,618,818	1,010,038,255
LIABILITIES				
Amounts payable on purchases of investments	115,238	39,051,043	2,039,231	36,167
Amounts payable on purchases of mortgage dollar rolls (note 2(l), 13)	-	-	-	-
Amounts payable on redemptions	81,687	96,285,773	3,298,978	5,868,186
Investment management fees payable (note 15)	83,681	9,985,149	5,515,470	1,116,244
Performance fees payable (note 16)	-	-	-	-
Bank overdraft	-	-	-	-
Unrealised loss on forward foreign exchange contracts (notes 2(c), 5)	-	36,364,432	-	-
Unrealised loss on financial future contracts (notes 2(d), 6)	-	-	-	-
Unrealised loss on interest rate swap contracts (notes 2(e), 7)	-	479,303,234	-	-
Unrealised loss on inflation swap contracts (notes 2(f), 8)	-	-	-	-
Unrealised loss on total return swap contracts (notes 2(h), 10)	-	-	-	-
Credit default swap contracts at market value (notes 2(i), 11)	-	-	-	-
Taxes and expenses payable	160,246	25,931,247	6,385,995	1,569,160
TOTAL LIABILITIES	440,852	686,920,878	17,239,674	8,589,757
TOTAL NET ASSETS	104,214,829	17,194,336,645	6,837,379,144	1,001,448,498
THREE YEAR ASSET SUMMARY				
June 30, 2018	122,143,577	17,571,329,650	7,362,059,685	991,907,089
June 30, 2017	120,018,892	20,185,056,502	7,584,398,180	1,199,770,938
June 30, 2016	113,758,358	21,120,878,212	6,563,260,233	1,103,673,787

Statement of Net Assets (continued)

at June 30, 2019

Templeton
Thailand
Fund

(USD)

153,918,025

640,517

21,000,000

243,081

2,552,528

37,543

-

-

-

-

-

-

-

-

178,391,694

-

-

2,689,920

222,767

-

-

-

-

-

-

-

-

203,809

3,116,496

175,275,198

167,245,593

139,450,128

143,285,738

Statement of Operations and Changes in Net Assets

For the Year ended June 30, 2019

	Total (USD)	Franklin Asia Credit Fund (USD)	Franklin Biotechnology Discovery Fund (USD)	Franklin Brazil Opportunities Fund (USD)
NET ASSETS AT THE BEGINNING OF THE YEAR	101,982,609,080	8,445,896	2,185,214,017	25,312,964
Currency translation adjustment	(437,684,275)	-	-	-
	101,544,924,805	8,445,896	2,185,214,017	25,312,964
INCOME				
Dividends (net of withholding taxes) (note 2(m))	834,279,603	-	5,014,462	109,589
Interest on bonds (net of withholding taxes) (note 2(m))	4,112,625,896	397,421	155,913	1,589,726
Bank interest	28,133,889	632	780,287	6,323
Securities lending (notes 2(n), 14)	4,834,213	-	114,359	-
Net interest income on swaps	9,524,988	-	-	46,528
Sundry income	23,734,556	400	1,676,057	21
TOTAL INCOME	5,013,133,145	398,453	7,741,078	1,752,187
EXPENSES				
Investment management fees (note 15)	857,549,604	59,562	18,582,897	262,108
Performance fees (note 16)	241,045	-	-	-
Administration and transfer agency fees	219,255,902	18,762	4,423,852	71,282
Directors fees	205,925	18	4,158	56
Subscription tax (note 19)	41,199,599	3,505	927,092	12,992
Custodian fees	33,031,908	613	76,863	5,900
Audit fees	1,169,198	12,605	15,075	10,414
Printing and publishing expenses	8,961,952	1,142	178,849	4,719
Bank charges	15,120,826	-	5,214	35
Net interest expenses on swaps	21,024,839	-	-	-
Maintenance and service charges (note 20)	414,196,022	18,926	10,355,306	206,521
Other charges	25,608,672	2,030	484,810	6,354
TOTAL EXPENSES	1,637,565,492	117,163	35,054,116	580,381
Expenses reimbursement (note 21)	(13,551,340)	(1,408)	(3,184)	-
NET EXPENSES	1,624,014,152	115,755	35,050,932	580,381
NET PROFIT/(LOSS) FROM INVESTMENTS	3,389,118,993	282,698	(27,309,854)	1,171,806
Net realised profit/(loss) on sale of investments	(26,443,395)	(25,487)	120,263,941	(278,596)
Net realised profit/(loss) on forward foreign exchange contracts	1,482,142,341	(211,546)	(1,164,022)	(339,714)
Net realised profit/(loss) on financial future contracts	(23,056,883)	-	-	(1,197,231)
Net realised profit/(loss) on interest rate swap contracts	628,817	-	-	-
Net realised profit/(loss) on inflation swap contracts	832,096	-	-	151,773
Net realised profit/(loss) on total return swap contracts	(95,396)	-	-	-
Net realised profit/(loss) on credit default swap contracts	1,151,713	-	-	338,474
Net realised profit/(loss) on option contracts	(13,430,587)	-	-	-
Net realised profit/(loss) on mortgage dollar rolls	568	-	-	-
Net realised profit/(loss) on foreign exchange transactions	(134,248,892)	130	(2,102)	(174,563)
NET REALISED PROFIT/(LOSS) FOR THE YEAR	4,676,599,375	45,795	91,787,963	(328,051)
Change in net unrealised appreciation/(depreciation) on:				
Investments	(754,448,972)	446,138	(76,480,332)	4,266,200
Forward foreign exchange contracts	(662,599,229)	118,582	347,052	49,594
Financial future contracts	5,771,833	-	-	(1,481,009)
Interest rate swap contracts	(1,115,275,452)	-	-	-
Inflation swap contracts	(622,851)	-	-	(88,424)
Cross currency swap contracts	90,895	-	-	-
Total return swap contracts	(8,434,144)	-	-	-
Credit default swap contracts	999,413	-	-	-
Option contracts	(23,929,253)	-	-	6,862
Mortgage dollar rolls	86,144	-	-	-
Foreign exchange transactions	46,852,603	119	(180)	48,996
Capital gains tax	39,204,480	-	-	79,266
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS	2,204,294,842	610,634	15,654,503	2,553,434
MOVEMENT OF CAPITAL				
Issue of shares	31,207,118,765	3,775,934	1,121,950,559	11,551,621
Redemption of shares	(34,799,114,454)	(3,982,764)	(1,462,253,215)	(14,246,399)
Equalisation (note 24)	(16,269,063)	1,933	-	(18,553)
	(3,608,264,752)	(204,897)	(340,302,656)	(2,713,331)
Dividends paid/accumulated	(4,460,701,808)	(403,855)	-	(2,078,814)
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF MOVEMENT IN CAPITAL	(8,068,966,560)	(608,752)	(340,302,656)	(4,792,145)
NET ASSETS AT THE END OF THE YEAR	95,680,253,087	8,447,778	1,860,565,864	23,074,253
Portfolio Turnover Ratio (note 25)		8.91%	(49.70)%	119.83%

¹This Fund was launched on January 18, 2019

Statement of Operations and Changes in Net Assets (continued)

For the Year ended June 30, 2019

Franklin Diversified Balanced Fund (EUR)	Franklin Diversified Conservative Fund (EUR)	Franklin Diversified Dynamic Fund (EUR)	Franklin Emerging Markets Debt Opportunities Hard Currency Fund ¹ (USD)	Franklin Euro Government Bond Fund (EUR)	Franklin Euro High Yield Fund (EUR)	Franklin Euro Short Duration Bond Fund (EUR)
272,770,646	355,924,700	137,509,455	-	48,996,905	589,123,493	137,112,468
-	-	-	-	-	-	-
272,770,646	355,924,700	137,509,455	-	48,996,905	589,123,493	137,112,468
3,145,714	1,248,021	2,315,310	-	-	91,263	-
1,428,394	2,584,629	421,054	527,025	618,932	21,355,199	507,738
40,988	43,777	25,490	5,935	13	21,635	2,272
-	-	-	-	-	-	-
260,171	432,786	-	-	-	-	-
5,255	7,260	1,432	-	-	47,636	538
4,880,522	4,316,473	2,763,286	532,960	618,945	21,515,733	510,548
1,753,624	2,072,398	1,035,917	66,119	192,144	4,223,781	280,419
-	-	-	-	-	-	-
561,276	674,596	289,419	19,452	137,265	1,241,319	227,590
548	669	277	21	117	1,180	273
72,740	110,755	47,163	1,214	17,671	249,538	33,740
27,510	30,979	15,304	2,729	5,601	43,766	12,994
11,503	12,110	11,756	11,125	7,908	11,671	10,481
23,565	28,012	12,034	788	5,418	50,940	11,675
117,231	111,700	71,226	-	6,046	199,353	30,545
-	-	67,514	-	-	-	-
548,546	1,027,493	447,801	-	128,361	2,477,912	215,877
61,551	75,483	31,077	2,597	13,079	132,369	30,753
3,178,094	4,144,195	2,029,488	104,045	513,610	8,631,829	854,347
-	(34,591)	-	(17,481)	(53,923)	(1,163)	(83,953)
3,178,094	4,109,604	2,029,488	86,564	459,687	8,630,666	770,394
1,702,428	206,869	733,798	446,396	159,258	12,885,067	(259,846)
(8,275,143)	(14,126,027)	(2,625,620)	7,503	329,759	(3,436,344)	(79,580)
(2,944,765)	(3,391,544)	(1,251,618)	(5,319)	-	(859,378)	1,515,251
(3,227,053)	(471,661)	(1,702,077)	-	(1,083,127)	-	(1,073,017)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(5,115,251)	(6,613,989)	(2,576,132)	-	-	-	-
(36,730)	(70,751)	(28,972)	-	-	-	-
(3,158,233)	(2,467,679)	(2,364,059)	-	(17,302)	-	(20,181)
-	-	-	-	-	-	-
(43,884)	(19,553)	(5,942)	746	-	2,620	77,246
(21,098,631)	(26,954,335)	(9,820,622)	449,326	(611,412)	8,591,965	159,873
7,920,299	16,641,659	472,533	1,096,859	4,450,528	13,261,636	1,114,585
1,643,908	1,262,474	912,680	2,983	-	127,238	(289,272)
91,782	(113,566)	254,259	-	143,084	-	386,050
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
38,495	44,601	(40,457)	-	-	-	-
41,686	80,614	31,235	-	-	-	-
(886,803)	(444,138)	(660,292)	-	-	-	-
-	-	-	-	-	-	-
(813)	6,297	15,548	86	-	(12,396)	2,612
-	-	-	-	-	-	-
(12,250,077)	(9,476,394)	(8,835,116)	1,549,254	3,982,200	21,968,443	1,373,848
30,517,265	34,501,179	18,789,893	24,239,352	45,014,014	79,111,079	63,143,735
(39,967,648)	(121,546,551)	(14,292,768)	-	(25,663,943)	(143,209,249)	(87,360,447)
(652,908)	(2,919,347)	3,632	91,526	100,202	(445,270)	(42,539)
(10,103,291)	(89,964,719)	4,500,757	24,330,878	19,450,273	(64,543,440)	(24,259,251)
(13,469,575)	(13,626,396)	(6,202,445)	-	(401,464)	(22,357,098)	(501,662)
(23,572,866)	(103,591,115)	(1,701,688)	24,330,878	19,048,809	(86,900,538)	(24,760,913)
236,947,703	242,857,191	126,972,651	25,880,132	72,027,914	524,191,398	113,725,403
229.73%	208.61%	248.66%	(4.00)%	22.31%	92.09%	57.16%

Statement of Operations and Changes in Net Assets (continued)

For the Year ended June 30, 2019

	Franklin Euro Short-Term Money Market Fund (EUR)	Franklin European Corporate Bond Fund (EUR)	Franklin European Dividend Fund (EUR)	Franklin European Growth Fund (EUR)
NET ASSETS AT THE BEGINNING OF THE YEAR	102,289,569	73,905,855	107,567,674	397,812,910
Currency translation adjustment	-	-	-	-
	102,289,569	73,905,855	107,567,674	397,812,910
INCOME				
Dividends (net of withholding taxes) (note 2(m))	-	-	4,232,250	6,057,479
Interest on bonds (net of withholding taxes) (note 2(m))	(290,784)	1,121,694	-	-
Bank interest	-	15	-	297
Securities lending (notes 2(n), 14)	-	-	24,447	560,872
Net interest income on swaps	-	-	-	-
Sundry income	-	-	-	-
TOTAL INCOME	(290,784)	1,121,709	4,256,697	6,618,648
EXPENSES				
Investment management fees (note 15)	227,560	291,352	1,014,566	3,114,128
Performance fees (note 16)	-	-	-	-
Administration and transfer agency fees	132,382	156,505	258,757	743,246
Directors fees	213	145	233	730
Subscription tax (note 19)	9,905	22,900	43,859	154,284
Custodian fees	8,115	5,498	10,262	34,453
Audit fees	7,674	8,487	9,968	7,989
Printing and publishing expenses	9,010	6,418	10,173	30,462
Bank charges	64,054	6,396	17,339	17,166
Net interest expenses on swaps	-	-	-	-
Maintenance and service charges (note 20)	70,954	253,809	549,574	2,051,047
Other charges	53,910	16,167	26,231	82,484
TOTAL EXPENSES	583,777	767,677	1,940,962	6,235,989
Expenses reimbursement (note 21)	(308,426)	(60,134)	(14,731)	(4,174)
NET EXPENSES	275,351	707,543	1,926,231	6,231,815
NET PROFIT/(LOSS) FROM INVESTMENTS	(566,135)	414,166	2,330,466	386,833
Net realised profit/(loss) on sale of investments	(1,094)	608,752	(56,417)	(1,115,050)
Net realised profit/(loss) on forward foreign exchange contracts	-	(40,329)	179,056	2,162,042
Net realised profit/(loss) on financial future contracts	-	(232,634)	-	-
Net realised profit/(loss) on interest rate swap contracts	-	-	-	-
Net realised profit/(loss) on inflation swap contracts	-	-	-	-
Net realised profit/(loss) on total return swap contracts	-	-	-	-
Net realised profit/(loss) on credit default swap contracts	-	-	-	-
Net realised profit/(loss) on option contracts	-	-	-	-
Net realised profit/(loss) on mortgage dollar rolls	-	-	-	-
Net realised profit/(loss) on foreign exchange transactions	-	-	(23,176)	(39,645)
NET REALISED PROFIT/(LOSS) FOR THE YEAR	(567,229)	749,955	2,429,929	1,394,180
Change in net unrealised appreciation/(depreciation) on:				
Investments	(14,167)	2,088,523	(2,552,072)	(20,751,402)
Forward foreign exchange contracts	-	38,848	254,794	(550,738)
Financial future contracts	-	92,590	-	-
Interest rate swap contracts	-	-	-	-
Inflation swap contracts	-	-	-	-
Cross currency swap contracts	-	-	-	-
Total return swap contracts	-	-	-	-
Credit default swap contracts	-	-	-	-
Option contracts	-	-	-	-
Mortgage dollar rolls	-	-	-	-
Foreign exchange transactions	-	-	(3,031)	(12,375)
Capital gains tax	-	-	-	-
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS	(581,396)	2,969,916	129,620	(19,920,335)
MOVEMENT OF CAPITAL				
Issue of shares	60,405,236	20,795,886	60,850,176	34,528,812
Redemption of shares	(81,844,395)	(22,253,620)	(55,278,553)	(151,910,291)
Equalisation (note 24)	-	51,429	(164,868)	(62,353)
	(21,439,159)	(1,406,305)	5,406,755	(117,443,832)
Dividends paid/accumulated	-	(1,215,661)	(4,090,753)	(2,076,878)
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF MOVEMENT IN CAPITAL	(21,439,159)	(2,621,966)	1,316,002	(119,520,710)
NET ASSETS AT THE END OF THE YEAR	80,269,014	74,253,805	109,013,296	258,371,865
Portfolio Turnover Ratio (note 25)	N/A	62.99%	20.87%	52.79%

²This Fund had its name changed effective on May 17, 2019 (refer to Note 1)³This Fund was closed on April 11, 2019

Statement of Operations and Changes in Net Assets (continued)

For the Year ended June 30, 2019

Franklin European Income Fund (EUR)	Franklin European Small-Mid Cap Fund ² (EUR)	Franklin European Total Return Fund (EUR)	Franklin Flexible Alpha Bond Fund (USD)	Franklin GCC Bond Fund (USD)	Franklin Global Aggregate Bond Fund (USD)	Franklin Global Aggregate Investment Grade Bond Fund ³ (USD)
21,094,704	435,473,434	472,606,884	629,426,052	86,795,362	91,187,076	10,629,897
-	-	-	-	-	-	-
21,094,704	435,473,434	472,606,884	629,426,052	86,795,362	91,187,076	10,629,897
343,067	11,163,824	-	-	-	-	-
174,228	-	5,200,144	18,372,963	5,544,203	1,818,508	166,634
-	-	19,210	266,748	92,827	16,828	655
-	16,429	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	72,268	21	13,337	3,473
517,295	11,180,253	5,219,354	18,711,979	5,637,051	1,848,673	170,762
170,837	3,125,900	1,265,664	267,144	550,469	132,255	33,511
-	-	-	-	-	-	-
50,614	805,815	747,668	104,883	207,932	54,699	17,384
45	810	773	1,094	186	141	-
9,958	125,390	126,065	53,990	17,987	13,638	1,475
2,854	48,795	58,019	22,490	8,737	14,852	1,449
11,120	9,244	9,313	15,277	10,430	12,253	1,743
1,951	33,921	31,927	46,527	8,926	5,416	-
2,076	65,240	49,130	67,999	819	6,370	97
-	-	-	1,544,913	39,912	-	-
153,572	1,155,984	1,287,052	45,708	65,948	79,413	1,955
5,049	91,357	86,954	122,571	20,246	16,119	2,481
408,076	5,462,456	3,662,565	2,292,596	931,592	335,156	60,095
(3,836)	-	(290,093)	(36,647)	-	(27,038)	(3,855)
404,240	5,462,456	3,372,472	2,255,949	931,592	308,118	56,240
113,055	5,717,797	1,846,882	16,456,030	4,705,459	1,540,555	114,522
(261,357)	22,333,079	5,003,171	(5,287,314)	286,893	(2,557,132)	(140,159)
(3,584)	27,545	(745,049)	(20,664,263)	(2,200,119)	(648,358)	20,735
-	-	(9,268,341)	(1,357,574)	-	-	-
-	-	64,227	462,527	-	-	-
-	-	-	-	-	-	-
-	-	-	1,272,757	-	-	-
-	-	-	1,339,191	-	-	-
-	-	(138,418)	(369,293)	-	-	-
-	-	-	(73,580)	-	-	-
(1,252)	(52,281)	(55,398)	144,459	(24,655)	88,005	(10,087)
(153,138)	28,026,140	(3,292,926)	(8,077,060)	2,767,578	(1,576,930)	(14,989)
506,606	(61,570,414)	11,064,424	5,505,162	6,745,803	3,758,047	179,623
12,165	(6,114)	(68,497)	4,316,457	539,647	497,191	(7,299)
-	-	2,493,781	(932,652)	-	-	-
-	-	(31,617)	(1,275,047)	-	-	-
-	-	-	(510,636)	-	-	-
-	-	-	62,004	-	-	-
-	-	-	330,555	-	-	-
-	-	-	368,913	-	-	-
-	-	-	(39,151)	-	-	-
-	-	-	(10,635)	-	-	-
593	(33,970)	43,070	(8,424)	203	23,625	1,357
-	-	-	(324)	-	(104)	-
366,226	(33,584,358)	10,208,235	(270,838)	10,053,231	2,701,829	158,692
5,894,076	37,208,604	83,454,810	33,356,202	92,771,662	20,103,727	408,813
(6,272,645)	(138,038,434)	(296,020,444)	(198,089,824)	(41,757,119)	(91,959,187)	(10,950,637)
8,709	(521,410)	(273,715)	(1,153,001)	128,804	(182,290)	(111,325)
(369,860)	(101,351,240)	(212,839,349)	(165,886,623)	51,143,347	(72,037,750)	(10,653,149)
(629,866)	(8,336,698)	(5,255,089)	(16,363,944)	(5,299,275)	(1,475,744)	(135,440)
(999,726)	(109,687,938)	(218,094,438)	(182,250,567)	45,844,072	(73,513,494)	(10,788,589)
20,461,204	292,201,138	264,720,681	446,904,647	142,692,665	20,375,411	-
8.24%	8.20%	59.00%	30.42%	41.01%	46.38%	N/A

Statement of Operations and Changes in Net Assets (continued)

For the Year ended June 30, 2019

	Franklin Global Convertible Securities Fund (USD)	Franklin Global Corporate Investment Grade Bond Fund ⁴ (USD)	Franklin Global Fundamental Strategies Fund (USD)	Franklin Global Listed Infrastructure Fund (USD)
NET ASSETS AT THE BEGINNING OF THE YEAR	206,962,616	-	1,953,764,526	80,953,870
Currency translation adjustment	-	-	-	-
	206,962,616	-	1,953,764,526	80,953,870
INCOME				
Dividends (net of withholding taxes) (note 2(m))	2,343,054	-	31,469,553	1,894,523
Interest on bonds (net of withholding taxes) (note 2(m))	4,668,208	114,038	43,272,713	-
Bank interest	96,713	1,060	583,429	18,047
Securities lending (notes 2(n), 14)	-	-	138,400	-
Net interest income on swaps	-	-	231,577	-
Sundry income	629	-	231,570	69,395
TOTAL INCOME	7,108,604	115,098	75,927,242	1,981,965
EXPENSES				
Investment management fees (note 15)	2,997,066	14,212	18,630,857	459,649
Performance fees (note 16)	-	-	-	-
Administration and transfer agency fees	981,724	7,738	4,394,764	124,586
Directors fees	747	-	4,022	165
Subscription tax (note 19)	142,782	1,032	920,217	20,840
Custodian fees	21,056	378	413,268	11,529
Audit fees	13,736	10,689	13,963	12,167
Printing and publishing expenses	38,128	306	174,853	6,879
Bank charges	3,926	50	273,005	441
Net interest expenses on swaps	-	-	-	-
Maintenance and service charges (note 20)	1,853,514	-	10,066,178	216,901
Other charges	81,013	1,016	452,999	18,735
TOTAL EXPENSES	6,133,692	35,421	35,344,126	871,892
Expenses reimbursement (note 21)	(3,368)	(14,052)	(33,184)	(8,003)
NET EXPENSES	6,130,324	21,369	35,310,942	863,889
NET PROFIT/(LOSS) FROM INVESTMENTS	978,280	93,729	40,616,300	1,118,076
Net realised profit/(loss) on sale of investments	11,170,844	4,512	20,339,333	1,211,098
Net realised profit/(loss) on forward foreign exchange contracts	(11,605,107)	-	31,194,779	(52,250)
Net realised profit/(loss) on financial future contracts	-	-	-	-
Net realised profit/(loss) on interest rate swap contracts	-	-	-	-
Net realised profit/(loss) on inflation swap contracts	-	-	-	-
Net realised profit/(loss) on total return swap contracts	-	-	-	-
Net realised profit/(loss) on credit default swap contracts	-	-	-	-
Net realised profit/(loss) on option contracts	-	-	75,685	-
Net realised profit/(loss) on mortgage dollar rolls	-	-	-	-
Net realised profit/(loss) on foreign exchange transactions	(34,568)	185	(479,223)	29,277
NET REALISED PROFIT/(LOSS) FOR THE YEAR	509,449	98,426	91,746,874	2,306,201
Change in net unrealised appreciation/(depreciation) on:				
Investments	37,822,946	370,446	(75,276,451)	3,292,198
Forward foreign exchange contracts	3,186,076	-	(13,921,382)	12,680
Financial future contracts	-	-	-	-
Interest rate swap contracts	-	-	(17,517,915)	-
Inflation swap contracts	-	-	-	-
Cross currency swap contracts	-	-	-	-
Total return swap contracts	-	-	-	-
Credit default swap contracts	-	-	-	-
Option contracts	-	-	(275,864)	-
Mortgage dollar rolls	-	-	-	-
Foreign exchange transactions	3,819	285	549,275	975
Capital gains tax	-	-	141,229	-
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS	41,522,290	469,157	(14,554,234)	5,612,054
MOVEMENT OF CAPITAL				
Issue of shares	671,557,747	8,000,000	189,796,653	25,949,161
Redemption of shares	(201,907,522)	-	(239,185,647)	(51,878,966)
Equalisation (note 24)	734,528	-	(568,716)	(328,425)
	470,384,753	8,000,000	(49,957,710)	(26,258,230)
Dividends paid/accumulated	(397,464)	-	(33,705,966)	(2,435,601)
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF MOVEMENT IN CAPITAL	469,987,289	8,000,000	(83,663,676)	(28,693,831)
NET ASSETS AT THE END OF THE YEAR	718,472,195	8,469,157	1,855,546,616	57,872,093
Portfolio Turnover Ratio (note 25)	(37.87)%	2.67%	25.10%	146.02%

²This Fund had its name changed effective on May 17, 2019 (refer to Note 1)⁴This Fund was launched on January 23, 2019

Statement of Operations and Changes in Net Assets (continued)

For the Year ended June 30, 2019

Franklin Global Multi-Asset Income Fund (EUR)	Franklin Global Real Estate Fund (USD)	Franklin Global Small-Mid Cap Fund ² (USD)	Franklin Gold and Precious Metals Fund (USD)	Franklin High Yield Fund (USD)	Franklin Income Fund (USD)	Franklin India Fund (USD)
322,054,366	203,221,322	111,463,910	216,042,075	1,935,878,158	1,669,750,494	3,306,103,248
-	-	-	-	-	-	-
322,054,366	203,221,322	111,463,910	216,042,075	1,935,878,158	1,669,750,494	3,306,103,248
3,885,249	4,560,292	2,103,158	1,396,692	591,078	27,953,831	19,395,793
2,401,646	-	-	63,082	101,690,781	48,172,308	-
57,151	26,646	45,676	13,232	206,141	206,057	461,212
-	-	-	-	-	19,565	-
197,281	-	-	-	-	-	-
11,337	-	-	13,521	117,467	990,668	-
6,552,664	4,586,938	2,148,834	1,486,527	102,605,467	77,342,429	19,857,005
2,126,442	1,568,163	953,476	2,205,195	13,995,991	13,006,737	20,905,396
-	-	-	-	-	-	-
604,130	421,353	241,252	552,260	4,162,075	3,729,436	5,354,811
590	404	216	453	3,832	3,361	5,385
118,443	75,420	48,663	110,045	886,608	761,856	900,371
31,878	14,307	3,865	19,714	71,411	70,050	1,260,858
12,981	13,841	10,053	9,410	16,738	14,718	15,668
24,881	17,049	9,104	20,554	164,699	145,017	225,436
79,721	604	3,381	1,243	432	1,575	89,562
-	-	-	-	-	-	-
1,684,911	993,841	549,517	1,480,615	9,296,843	10,508,582	8,605,308
66,591	45,598	24,408	50,696	430,423	388,613	603,617
4,750,568	3,150,580	1,843,935	4,450,185	29,029,052	28,629,945	37,966,412
(20,186)	(487)	-	-	(1,820)	(5,838)	(8,712)
4,730,382	3,150,093	1,843,935	4,450,185	29,027,232	28,624,107	37,957,700
1,822,282	1,436,845	304,899	(2,963,658)	73,578,235	48,718,322	(18,100,695)
(16,913,295)	8,525,665	3,836,816	(7,549,561)	(33,052,054)	2,469,777	335,268,703
(2,516,136)	(1,130,248)	-	(962,862)	(1,544,509)	(4,840,037)	(4,477,732)
(1,031,317)	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(5,707,255)	-	-	-	-	-	-
(98,365)	-	-	-	-	-	-
(3,330,697)	-	-	-	-	4,562,335	-
-	-	-	-	-	-	-
12,340	(26,387)	(29,079)	18,167	(11,997)	(139,442)	(3,644,141)
(27,762,443)	8,805,875	4,112,636	(11,457,914)	38,969,675	50,770,955	309,046,135
17,001,920	356,246	(12,690,102)	40,723,093	59,232,091	(7,304,040)	(349,421,794)
1,556,364	140,732	-	143,472	837,433	1,138,585	2,012,063
238,006	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
282,203	-	-	-	-	-	-
112,458	-	-	-	-	-	-
(853,244)	-	-	-	-	(1,277,069)	-
-	-	-	-	-	-	-
(11,470)	12,415	(37,094)	(384)	391	423	30,002
-	-	-	-	-	-	-
(9,436,206)	9,315,268	(8,614,560)	29,408,267	99,039,590	43,328,854	(38,333,594)
34,911,792	51,671,848	20,196,251	134,201,182	191,535,076	445,937,223	503,539,580
(102,947,236)	(104,869,746)	(40,950,860)	(118,436,886)	(469,457,246)	(592,454,242)	(1,742,367,266)
(1,521,018)	(93,461)	(21,885)	-	(1,037,069)	(279,229)	51
(69,556,462)	(53,291,359)	(20,776,494)	15,764,296	(278,959,239)	(146,796,248)	(1,238,827,635)
(16,707,892)	(5,267,607)	(578,377)	-	(103,499,987)	(82,229,440)	(48,352)
(86,264,354)	(58,558,966)	(21,354,871)	15,764,296	(382,459,226)	(229,025,688)	(1,238,875,987)
226,353,806	153,977,624	81,494,479	261,214,638	1,652,458,522	1,484,053,660	2,028,893,667
212.41%	7.64%	(16.17)%	(72.29)%	8.76%	4.68%	15.02%

Statement of Operations and Changes in Net Assets (continued)

For the Year ended June 30, 2019

	Franklin Japan Fund (JPY)	Franklin K2 Alternative Strategies Fund (USD)	Franklin K2 Global Macro Opportunities Fund (USD)	Franklin K2 Long Short Credit Fund (USD)
NET ASSETS AT THE BEGINNING OF THE YEAR	26,937,411,320	2,410,932,627	24,987,801	97,806,969
Currency translation adjustment	-	-	-	-
	26,937,411,320	2,410,932,627	24,987,801	97,806,969
INCOME				
Dividends (net of withholding taxes) (note 2(m))	339,417,079	11,304,898	-	86,497
Interest on bonds (net of withholding taxes) (note 2(m))	-	48,257,598	586,826	4,746,558
Bank interest	1,120	-	-	-
Securities lending (notes 2(n), 14)	-	-	-	-
Net interest income on swaps	-	-	-	-
Sundry income	2,348,381	366,796	9,977	-
TOTAL INCOME	341,766,580	59,929,292	596,803	4,833,055
EXPENSES				
Investment management fees (note 15)	152,302,359	42,933,993	477,623	1,830,851
Performance fees (note 16)	-	240,777	-	268
Administration and transfer agency fees	43,805,904	5,213,384	53,643	210,661
Directors fees	46,527	5,030	52	201
Subscription tax (note 19)	5,831,656	753,776	9,501	34,438
Custodian fees	2,074,476	1,100,373	123,538	134,329
Audit fees	1,118,374	38,857	32,409	32,466
Printing and publishing expenses	1,692,938	217,958	2,303	8,778
Bank charges	1,475,411	-	-	-
Net interest expenses on swaps	-	252,788	12,721	379,885
Maintenance and service charges (note 20)	60,646,968	6,044,316	87,698	328,567
Other charges	5,430,230	1,136,020	10,861	43,101
TOTAL EXPENSES	274,424,843	57,937,272	810,349	3,003,545
Expenses reimbursement (note 21)	(2,095,914)	(4,302,283)	(186,295)	(289,014)
NET EXPENSES	272,328,929	53,634,989	624,054	2,714,531
NET PROFIT/(LOSS) FROM INVESTMENTS	69,437,651	6,294,303	(27,251)	2,118,524
Net realised profit/(loss) on sale of investments	(2,787,684,819)	18,076,601	(111,337)	370,056
Net realised profit/(loss) on forward foreign exchange contracts	12,244,743	(104,636,146)	(557,853)	(2,204,307)
Net realised profit/(loss) on financial future contracts	-	(517,507)	853,360	6,275
Net realised profit/(loss) on interest rate swap contracts	-	299,017	(3,012)	9,465
Net realised profit/(loss) on inflation swap contracts	-	607,459	20,486	52,378
Net realised profit/(loss) on total return swap contracts	-	12,970,609	(65,226)	103,087
Net realised profit/(loss) on credit default swap contracts	-	350,962	35,099	287,968
Net realised profit/(loss) on option contracts	-	(10,375,779)	-	(238,887)
Net realised profit/(loss) on mortgage dollar rolls	-	-	-	-
Net realised profit/(loss) on foreign exchange transactions	41,666,794	(557,584)	(7,712)	(14,446)
NET REALISED PROFIT/(LOSS) FOR THE YEAR	(2,664,335,631)	(77,488,065)	136,554	490,113
Change in net unrealised appreciation/(depreciation) on:				
Investments	(385,300,189)	28,664,262	268,543	309,643
Forward foreign exchange contracts	(3,823,825)	23,982,411	46,588	395,214
Financial future contracts	-	2,318,370	46,094	7,751
Interest rate swap contracts	-	(761,263)	(30,060)	(246,211)
Inflation swap contracts	-	215,305	11,018	21,894
Cross currency swap contracts	-	-	-	-
Total return swap contracts	-	(8,372,914)	5,718	139,519
Credit default swap contracts	-	(354,941)	(31,374)	(254,103)
Option contracts	-	(50,660)	-	21,290
Mortgage dollar rolls	-	-	-	-
Foreign exchange transactions	2,375,217	(56,240)	(232)	1,284
Capital gains tax	-	-	-	-
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS	(3,051,084,428)	(31,903,735)	452,849	886,394
MOVEMENT OF CAPITAL				
Issue of shares	12,414,937,904	1,047,762,166	901,657	18,474,506
Redemption of shares	(27,873,917,063)	(1,160,532,031)	(1,073,125)	(21,980,133)
Equalisation (note 24)	(68,473,589)	1,311,334	-	(370,880)
	(15,527,452,748)	(111,458,531)	(171,468)	(3,876,507)
Dividends paid/accumulated	(104,632,917)	(46,291)	-	(191,057)
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF MOVEMENT IN CAPITAL	(15,632,085,665)	(111,504,822)	(171,468)	(4,067,564)
NET ASSETS AT THE END OF THE YEAR	8,254,241,227	2,267,524,070	25,269,182	94,625,799
Portfolio Turnover Ratio (note 25)	441.18%	156.95%	60.10%	149.19%

Statement of Operations and Changes in Net Assets (continued)

For the Year ended June 30, 2019

Franklin MENA Fund (USD)	Franklin Natural Resources Fund (USD)	Franklin NextStep Balanced Growth Fund (USD)	Franklin NextStep Conservative Fund (USD)	Franklin NextStep Dynamic Growth Fund (USD)	Franklin NextStep Growth Fund (USD)	Franklin NextStep Moderate Fund (USD)
138,386,723	351,976,498	257,583,066	37,825,419	60,806,068	26,984,353	75,584,143
-	-	-	-	-	-	-
138,386,723	351,976,498	257,583,066	37,825,419	60,806,068	26,984,353	75,584,143
3,451,240	6,270,087	2,491,015	669,208	389,755	295,797	953,812
-	73,990	-	-	-	-	-
7,072	14,905	122,120	31,336	20,832	14,575	48,797
-	21,585	-	-	-	-	-
-	-	-	-	-	-	-
-	167,060	187,528	22,982	51,253	9,338	31,907
3,458,312	6,547,627	2,800,663	723,526	461,840	319,710	1,034,516
1,478,546	2,804,755	1,684,803	285,592	358,408	278,863	689,845
-	-	-	-	-	-	-
299,800	708,019	432,430	98,035	92,647	69,223	200,627
244	629	458	81	100	62	167
43,772	145,726	53,734	9,763	12,315	8,055	20,716
189,799	15,249	30,378	13,708	19,584	15,156	16,685
12,412	12,566	13,209	12,495	13,052	12,488	12,530
10,295	26,852	18,877	3,570	4,061	2,696	7,235
26,588	21	14	1,397	152	-	1,057
-	-	-	-	-	-	-
463,519	2,038,334	792,849	133,172	210,829	162,579	379,629
27,348	71,956	51,855	9,071	11,270	6,962	18,770
2,552,323	5,824,107	3,078,607	566,884	722,418	556,084	1,347,261
(24,927)	-	(21)	(53,690)	(13,872)	(46,587)	(105,779)
2,527,396	5,824,107	3,078,586	513,194	708,546	509,497	1,241,482
930,916	723,520	(277,923)	210,332	(246,706)	(189,787)	(206,966)
1,060,577	(10,402,645)	1,221,461	150,815	(202,396)	77,515	159,361
(836,404)	(1,131,635)	658,915	(1,036,577)	70,570	(273,529)	(1,857,953)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(127,883)	17,705	(4,919)	8,238	(824)	(4,297)	(1,941)
1,027,206	(10,793,055)	1,597,534	(667,192)	(379,356)	(390,098)	(1,907,499)
(791,286)	(55,226,162)	2,317,328	1,364,176	667,850	931,412	2,802,323
179,984	676,581	12,072	614,376	47,375	109,337	1,307,539
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,837	(1,465)	336	169	192	29	238
-	-	-	-	-	-	-
419,741	(65,344,101)	3,927,270	1,311,529	336,061	650,680	2,202,601
33,907,024	208,265,270	17,626,515	15,270,777	8,538,114	9,246,076	21,999,531
(76,057,394)	(232,716,125)	(129,786,456)	(13,386,938)	(39,698,878)	(7,750,639)	(23,673,075)
3,594	(12,807)	(774,921)	7,211	(147,648)	(14,062)	(57,812)
(42,146,776)	(24,463,662)	(112,934,862)	1,891,050	(31,308,412)	1,481,375	(1,731,356)
(1,019,443)	(115,830)	(3,118,614)	(709,558)	(546,513)	(280,334)	(944,064)
(43,166,219)	(24,579,492)	(116,053,476)	1,181,492	(31,854,925)	1,201,041	(2,675,420)
95,640,245	262,052,905	145,456,860	40,318,440	29,287,204	28,836,074	75,111,324
118.38%	(71.30)%	95.30%	114.90%	75.46%	66.59%	70.23%

Statement of Operations and Changes in Net Assets (continued)

For the Year ended June 30, 2019

	Franklin NextStep Stable Growth Fund (USD)	Franklin Select U.S. Equity Fund ⁵ (USD)	Franklin Strategic Income Fund (USD)	Franklin Technology Fund (USD)
NET ASSETS AT THE BEGINNING OF THE YEAR	22,169,010	419,996,049	965,025,829	2,624,600,522
Currency translation adjustment	-	-	-	-
	22,169,010	419,996,049	965,025,829	2,624,600,522
INCOME				
Dividends (net of withholding taxes) (note 2(m))	448,655	2,793,768	555,159	16,765,635
Interest on bonds (net of withholding taxes) (note 2(m))	-	113,241	36,588,653	330,721
Bank interest	17,126	22,616	387,522	287,886
Securities lending (notes 2(n), 14)	-	202	-	76,496
Net interest income on swaps	-	-	5,222,582	-
Sundry income	16,211	446,286	125,070	13,757
TOTAL INCOME	481,992	3,376,113	42,878,986	17,474,495
EXPENSES				
Investment management fees (note 15)	179,829	3,502,500	5,820,607	27,048,854
Performance fees (note 16)	-	-	-	-
Administration and transfer agency fees	49,603	839,750	1,886,014	6,411,505
Directors fees	48	842	1,863	5,901
Subscription tax (note 19)	4,985	179,448	377,840	1,267,513
Custodian fees	16,388	16,160	52,626	136,096
Audit fees	12,612	12,862	14,117	15,326
Printing and publishing expenses	2,083	36,299	80,450	261,895
Bank charges	-	526	67,270	163
Net interest expenses on swaps	-	-	-	-
Maintenance and service charges (note 20)	67,436	2,176,222	4,551,144	14,797,775
Other charges	5,405	102,187	208,771	673,968
TOTAL EXPENSES	338,389	6,866,796	13,060,702	50,618,996
Expenses reimbursement (note 21)	(30,410)	(3,395)	(1,286,905)	(250,363)
NET EXPENSES	307,979	6,863,401	11,773,797	50,368,633
NET PROFIT/(LOSS) FROM INVESTMENTS	174,013	(3,487,288)	31,105,189	(32,894,138)
Net realised profit/(loss) on sale of investments	154,527	11,679,443	(15,031,145)	239,721,132
Net realised profit/(loss) on forward foreign exchange contracts	49,383	(626,135)	(14,192,814)	(1,809,455)
Net realised profit/(loss) on financial future contracts	-	-	(49,154)	-
Net realised profit/(loss) on interest rate swap contracts	-	-	-	-
Net realised profit/(loss) on inflation swap contracts	-	-	-	-
Net realised profit/(loss) on total return swap contracts	-	-	6,128,172	-
Net realised profit/(loss) on credit default swap contracts	-	-	(1,972,321)	-
Net realised profit/(loss) on option contracts	-	-	-	-
Net realised profit/(loss) on mortgage dollar rolls	-	-	106,768	-
Net realised profit/(loss) on foreign exchange transactions	2,930	(8,333)	269,078	(124,998)
NET REALISED PROFIT/(LOSS) FOR THE YEAR	380,853	7,557,687	6,363,773	204,892,541
Change in net unrealised appreciation/(depreciation) on:				
Investments	506,321	17,119,385	27,913,838	156,699,789
Forward foreign exchange contracts	44,371	52,005	(335,372)	407,507
Financial future contracts	-	-	539,523	-
Interest rate swap contracts	-	-	-	-
Inflation swap contracts	-	-	-	-
Cross currency swap contracts	-	-	15,759	-
Total return swap contracts	-	-	(521,076)	-
Credit default swap contracts	-	-	1,200,160	-
Option contracts	-	-	-	-
Mortgage dollar rolls	-	-	102,357	-
Foreign exchange transactions	27	36	54,944	16,314
Capital gains tax	-	-	(25,312)	-
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS	931,572	24,729,113	35,308,594	362,016,151
MOVEMENT OF CAPITAL				
Issue of shares	6,640,235	72,785,474	232,535,238	2,041,871,418
Redemption of shares	(7,598,973)	(147,616,293)	(347,879,074)	(2,000,504,848)
Equalisation (note 24)	(22,570)	(5,300)	(490,912)	(58,352)
	(981,308)	(74,836,119)	(115,834,748)	41,308,218
Dividends paid/accumulated	(431,788)	(294,887)	(46,657,676)	(322,082)
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF MOVEMENT IN CAPITAL	(1,413,096)	(75,131,006)	(162,492,424)	40,986,136
NET ASSETS AT THE END OF THE YEAR	21,687,486	369,594,156	837,841,999	3,027,602,809
Portfolio Turnover Ratio (note 25)	143.66%	(35.65)%	162.65%	(53.25)%

⁵ This Fund had its name changed effective on August 1, 2018 (refer to Note 1)⁶ This Fund had its name changed effective on January 28, 2019 (refer to Note 1)

Statement of Operations and Changes in Net Assets (continued)

For the Year ended June 30, 2019

Franklin U.S. Dollar Short-Term Money Market Fund ⁶ (USD)	Franklin U.S. Government Fund (USD)	Franklin U.S. Low Duration Fund (USD)	Franklin U.S. Opportunities Fund (USD)	Franklin World Perspectives Fund (USD)	Franklin Mutual European Fund (EUR)	Franklin Mutual Global Discovery Fund (USD)
332,606,406	625,792,030	749,695,138	3,881,876,880	422,637,403	1,193,519,552	761,194,397
-	-	-	-	-	-	-
332,606,406	625,792,030	749,695,138	3,881,876,880	422,637,403	1,193,519,552	761,194,397
-	-	-	16,419,692	5,254,647	31,745,700	14,307,230
7,261,643	22,305,020	24,930,078	378,405	-	405,325	2,439,625
6,891	73,655	188,290	848,816	79,102	1,858	18,277
-	-	-	338,989	78,004	429,090	203,565
-	-	-	-	-	-	-
-	659	286,722	129,159	18,339	41,140	137,291
7,268,534	22,379,334	25,405,090	18,115,061	5,430,092	32,623,113	17,105,988
988,760	3,901,536	3,472,827	37,559,679	3,524,449	9,339,244	6,379,835
-	-	-	-	-	-	-
438,046	1,509,781	1,383,689	9,229,129	1,054,840	2,323,382	1,623,145
695	1,354	1,558	8,573	833	2,262	1,496
33,429	279,150	236,472	1,708,489	151,975	427,483	293,316
13,557	26,142	32,252	175,569	44,066	108,879	47,563
10,560	13,010	12,582	20,107	10,273	13,061	14,697
30,882	60,655	67,476	376,710	36,014	95,466	63,934
636	129	33,516	31,997	151	169,582	22,450
-	-	645,619	-	-	-	-
892,422	2,018,365	1,696,663	19,827,473	1,948,554	4,428,763	3,502,745
111,785	150,946	175,129	964,229	95,510	255,022	170,041
2,520,772	7,961,068	7,757,783	69,901,955	6,866,665	17,163,144	12,119,222
(1,118,733)	(82,815)	(532,227)	(522,636)	(3,521)	(13,467)	(1,412)
1,402,039	7,878,253	7,225,556	69,379,319	6,863,144	17,149,677	12,117,810
5,866,495	14,501,081	18,179,534	(51,264,258)	(1,433,052)	15,473,436	4,988,178
286	296,220	(1,649,868)	280,573,996	(2,215,424)	45,064,432	10,472,072
-	(667,449)	(10,515,172)	(23,664,802)	-	3,062,013	(5,309,373)
-	-	(230,314)	-	-	-	-
-	-	(212,196)	-	-	-	-
-	-	-	-	-	-	-
-	-	2,246,561	-	-	-	-
-	-	1,039,293	-	-	-	-
-	-	-	-	-	-	-
-	162,721	(195,341)	-	-	-	-
-	1,900	85,749	(246,054)	(93,735)	(1,454,276)	(234,549)
5,866,781	14,294,473	8,748,246	205,398,882	(3,742,211)	62,145,605	9,916,328
10,688	16,424,070	2,491,163	143,785,174	5,922,253	(80,776,264)	(7,859,455)
-	313,501	3,737,591	5,290,644	-	73,752	(120,622)
-	-	1,197,028	-	-	-	-
-	-	235,591	-	-	-	-
-	-	(272,008)	-	-	-	-
-	-	13,132	-	-	-	-
-	-	(385,243)	-	-	-	-
-	-	(231,636)	-	-	-	-
-	-	-	-	-	-	-
-	(5,578)	-	-	-	-	-
-	555	14,978	(7,166)	3,175	99,519	(5,464)
-	-	(56)	-	-	-	-
5,877,469	31,027,021	15,548,786	354,467,534	2,183,217	(18,457,388)	1,930,787
515,410,160	422,539,205	316,971,564	1,897,156,538	39,730,558	101,282,906	81,730,374
(483,775,684)	(315,592,295)	(369,563,366)	(1,953,749,214)	(90,986,333)	(394,568,180)	(214,449,653)
14,751	264,178	(102,090)	(24,743)	(16,288)	(1,079,937)	(375,960)
31,649,227	107,211,088	(52,693,892)	(56,617,419)	(51,272,063)	(294,365,211)	(133,095,239)
(5,288,156)	(21,976,602)	(16,941,994)	(112,516)	(567,459)	(17,487,188)	(7,899,105)
26,361,071	85,234,486	(69,635,886)	(56,729,935)	(51,839,522)	(311,852,399)	(140,994,344)
364,844,946	742,053,537	695,608,038	4,179,614,479	372,981,098	863,209,765	622,130,840
N/A	(48.28)%	(3.59)%	(38.30)%	27.07%	29.90%	8.21%

Statement of Operations and Changes in Net Assets (continued)

For the Year ended June 30, 2019

	Franklin Mutual U.S. Value Fund (USD)	Templeton Africa Fund ⁷ (USD)	Templeton Asian Bond Fund (USD)	Templeton Asian Growth Fund (USD)
NET ASSETS AT THE BEGINNING OF THE YEAR	490,623,618	74,653,776	547,874,433	3,795,392,747
Currency translation adjustment	-	-	-	-
	490,623,618	74,653,776	547,874,433	3,795,392,747
INCOME				
Dividends (net of withholding taxes) (note 2(m))	6,357,377	906,047	-	64,973,486
Interest on bonds (net of withholding taxes) (note 2(m))	2,501,455	-	24,208,200	-
Bank interest	3,836	200,245	190,156	1,105,742
Securities lending (notes 2(n), 14)	35,664	-	-	62,564
Net interest income on swaps	-	-	-	-
Sundry income	117,161	-	214,453	1,782
TOTAL INCOME	9,015,493	1,106,292	24,612,809	66,143,574
EXPENSES				
Investment management fees (note 15)	4,138,013	630,989	3,308,834	43,396,592
Performance fees (note 16)	-	-	-	-
Administration and transfer agency fees	1,037,301	147,351	1,061,272	7,622,514
Directors fees	954	102	1,088	7,286
Subscription tax (note 19)	198,151	24,879	222,880	1,607,005
Custodian fees	16,106	39,583	232,511	1,342,643
Audit fees	14,060	7,799	15,205	19,222
Printing and publishing expenses	40,719	3,597	46,055	312,782
Bank charges	3,530	-	186,734	4,814
Net interest expenses on swaps	-	-	342,214	-
Maintenance and service charges (note 20)	2,515,338	216,148	1,474,574	16,215,281
Other charges	107,292	11,873	122,892	1,170,864
TOTAL EXPENSES	8,071,464	1,082,321	7,014,259	71,699,003
Expenses reimbursement (note 21)	(695)	(108,250)	(14,552)	(3,216)
NET EXPENSES	8,070,769	974,071	6,999,707	71,695,787
NET PROFIT/(LOSS) FROM INVESTMENTS	944,724	132,221	17,613,102	(5,552,213)
Net realised profit/(loss) on sale of investments	14,918,816	(5,361,846)	(17,554,570)	(140,770,433)
Net realised profit/(loss) on forward foreign exchange contracts	(555,200)	(1,569,642)	10,234,891	(15,617,430)
Net realised profit/(loss) on financial future contracts	-	-	-	-
Net realised profit/(loss) on interest rate swap contracts	-	-	-	-
Net realised profit/(loss) on inflation swap contracts	-	-	-	-
Net realised profit/(loss) on total return swap contracts	-	-	-	-
Net realised profit/(loss) on credit default swap contracts	-	-	-	-
Net realised profit/(loss) on option contracts	-	-	160	-
Net realised profit/(loss) on mortgage dollar rolls	-	-	-	-
Net realised profit/(loss) on foreign exchange transactions	(11,340)	(287,591)	(544,845)	(1,948,170)
NET REALISED PROFIT/(LOSS) FOR THE YEAR	15,297,000	(7,086,858)	9,748,738	(163,888,246)
Change in net unrealised appreciation/(depreciation) on:				
Investments	(126,901)	1,349,100	29,070,731	84,804,821
Forward foreign exchange contracts	116,280	407,761	(7,008,297)	3,360,697
Financial future contracts	-	-	-	-
Interest rate swap contracts	-	-	(17,749,263)	-
Inflation swap contracts	-	-	-	-
Cross currency swap contracts	-	-	-	-
Total return swap contracts	-	-	-	-
Credit default swap contracts	-	-	-	-
Option contracts	-	-	(2,861)	-
Mortgage dollar rolls	-	-	-	-
Foreign exchange transactions	(2,651)	11	352,520	368,366
Capital gains tax	-	-	185,481	-
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS	15,283,728	(5,329,986)	14,597,049	(75,354,362)
MOVEMENT OF CAPITAL				
Issue of shares	81,090,136	8,628,523	133,549,322	500,567,848
Redemption of shares	(188,797,140)	(77,249,688)	(245,529,090)	(1,099,243,631)
Equalisation (note 24)	(2,417)	(38,864)	(507,528)	(149,243)
	(107,709,421)	(68,660,029)	(112,487,296)	(598,825,026)
Dividends paid/accumulated	(1,928,085)	(663,761)	(27,846,024)	(14,908,948)
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF MOVEMENT IN CAPITAL	(109,637,506)	(69,323,790)	(140,333,320)	(613,733,974)
NET ASSETS AT THE END OF THE YEAR	396,269,840	-	422,138,162	3,106,304,411
Portfolio Turnover Ratio (note 25)	5.79%	N/A	4.76%	41.66%

⁷This Fund was merged into Templeton Frontier Markets Fund on February 15, 2019

Statement of Operations and Changes in Net Assets (continued)

For the Year ended June 30, 2019

Templeton Asian Smaller Companies Fund (USD)	Templeton BRIC Fund (USD)	Templeton China Fund (USD)	Templeton Eastern Europe Fund (EUR)	Templeton Emerging Markets Fund (USD)	Templeton Emerging Markets Balanced Fund (USD)	Templeton Emerging Markets Bond Fund (USD)
1,665,977,311	766,634,429	519,042,458	250,196,311	970,862,932	132,161,280	9,908,350,175
-	-	-	-	-	-	-
1,665,977,311	766,634,429	519,042,458	250,196,311	970,862,932	132,161,280	9,908,350,175
33,751,140	17,774,217	12,235,606	11,485,564	22,151,236	1,807,614	-
-	-	-	-	-	6,761,165	1,108,383,596
1,811,604	279,643	131,711	15	472,480	43,414	1,860,741
663,296	-	-	-	-	-	-
-	-	-	-	-	14,036	2,508,439
22	-	-	77,427	7,584	4,108	1,465,905
36,226,062	18,053,860	12,367,317	11,563,006	22,631,300	8,630,337	1,114,218,681
16,705,923	10,772,156	7,116,959	3,572,624	10,061,025	1,702,065	98,367,762
-	-	-	-	-	-	-
3,619,889	1,662,851	1,079,102	612,331	2,179,526	336,405	25,052,893
3,335	1,461	1,005	488	1,952	276	21,443
503,458	346,354	229,077	109,328	334,818	61,699	4,480,684
766,093	203,150	94,879	194,534	309,566	72,008	6,417,243
13,582	12,144	12,987	10,475	15,310	14,603	24,951
145,256	63,355	43,001	21,611	85,792	12,445	953,413
304	372	977	37,840	6,320	4,273	1,979,551
-	-	-	-	-	-	-
4,190,367	3,611,318	2,339,414	1,131,633	3,423,116	852,243	64,044,580
441,781	488,756	112,860	106,635	677,085	69,396	2,392,829
26,389,988	17,161,917	11,030,261	5,797,499	17,094,510	3,125,413	203,735,349
(175,934)	-	(4,357)	(7,550)	(777,508)	(121,298)	(972,789)
26,214,054	17,161,917	11,025,904	5,789,949	16,317,002	3,004,115	202,762,560
10,012,008	891,943	1,341,413	5,773,057	6,314,298	5,626,222	911,456,121
27,192,566	34,698,178	40,377,902	(22,778,119)	24,623,878	(3,187,387)	(505,157,923)
(31,694)	(1,477,528)	-	-	(1,368,193)	(1,010,987)	138,551,615
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	8,070	1,323,175
-	-	-	-	-	-	-
(742,822)	72,475	(30,189)	(26,195)	37,631	(318,731)	(47,610,923)
36,430,058	34,185,068	41,689,126	(17,031,257)	29,607,614	1,117,187	498,562,065
(40,155,801)	(14,265,434)	(60,365,870)	37,368,573	(3,586,788)	2,733,841	35,895,874
11,006	474,570	-	-	424,568	(46,627)	(9,785,403)
-	-	-	-	-	-	-
-	-	-	-	-	(379,426)	(121,035,088)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	(28,867)	(4,747,489)
-	-	-	-	-	-	-
42,383	10,587	6,264	43,331	52,700	65,813	10,362,662
-	-	-	-	(589,870)	48,669	16,043,883
(3,672,354)	20,404,791	(18,670,480)	20,380,647	25,908,224	3,510,590	425,296,504
583,935,979	111,600,804	198,987,921	48,173,899	295,332,944	69,903,924	4,927,117,425
(669,473,176)	(235,598,276)	(278,928,747)	(67,168,466)	(332,289,836)	(43,341,349)	(2,948,099,199)
75,488	(7,567)	(233,208)	(68,409)	(87,159)	890,081	5,674,234
(85,461,709)	(124,005,039)	(80,174,034)	(19,062,976)	(37,044,051)	27,452,656	1,984,692,460
(3,906,373)	(26,158)	(338,838)	(530,556)	(2,844,234)	(6,379,857)	(1,112,011,097)
(89,368,082)	(124,031,197)	(80,512,872)	(19,593,532)	(39,888,285)	21,072,799	872,681,363
1,572,936,875	663,008,023	419,859,106	250,983,426	956,882,871	156,744,669	11,206,328,042
(50.62)%	(10.23)%	(71.91)%	54.74%	(32.05)%	(46.01)%	(48.99)%

Statement of Operations and Changes in Net Assets (continued)

For the Year ended June 30, 2019

	Templeton Emerging Markets Local Currency Bond Fund (USD)	Templeton Emerging Markets Smaller Companies Fund (USD)	Templeton Euroland Fund (EUR)	Templeton European Fund ⁸ (EUR)
NET ASSETS AT THE BEGINNING OF THE YEAR	19,328,901	1,060,586,206	699,571,319	165,851,467
Currency translation adjustment	-	-	-	-
	19,328,901	1,060,586,206	699,571,319	165,851,467
INCOME				
Dividends (net of withholding taxes) (note 2(m))	-	21,107,307	17,621,723	1,004,580
Interest on bonds (net of withholding taxes) (note 2(m))	2,736,321	805,746	-	-
Bank interest	5,587	166,913	-	-
Securities lending (notes 2(n), 14)	-	270,046	188,908	-
Net interest income on swaps	-	-	-	-
Sundry income	990	-	12,433	-
TOTAL INCOME	2,742,898	22,350,012	17,823,064	1,004,580
EXPENSES				
Investment management fees (note 15)	177,850	11,449,324	4,806,342	624,041
Performance fees (note 16)	-	-	-	-
Administration and transfer agency fees	52,189	2,064,411	1,358,794	151,534
Directors fees	46	2,106	1,376	156
Subscription tax (note 19)	4,379	267,479	190,806	40,286
Custodian fees	14,706	566,867	78,930	5,957
Audit fees	15,307	14,682	11,672	3,854
Printing and publishing expenses	2,194	91,373	57,050	5,445
Bank charges	-	-	52,796	3,396
Net interest expenses on swaps	-	-	-	-
Maintenance and service charges (note 20)	26,607	1,814,894	1,746,914	326,399
Other charges	5,229	274,015	156,003	17,681
TOTAL EXPENSES	298,507	16,545,151	8,460,683	1,178,749
Expenses reimbursement (note 21)	(37,170)	(11,974)	(190,427)	-
NET EXPENSES	261,337	16,533,177	8,270,256	1,178,749
NET PROFIT/(LOSS) FROM INVESTMENTS	2,481,561	5,816,835	9,552,808	(174,169)
Net realised profit/(loss) on sale of investments	(1,025,852)	33,783,666	(689,450)	(6,135,461)
Net realised profit/(loss) on forward foreign exchange contracts	(514,852)	(183,677)	44,872	-
Net realised profit/(loss) on financial future contracts	-	-	-	-
Net realised profit/(loss) on interest rate swap contracts	-	-	-	-
Net realised profit/(loss) on inflation swap contracts	-	-	-	-
Net realised profit/(loss) on total return swap contracts	-	-	-	-
Net realised profit/(loss) on credit default swap contracts	-	-	-	-
Net realised profit/(loss) on option contracts	-	-	-	-
Net realised profit/(loss) on mortgage dollar rolls	-	-	-	-
Net realised profit/(loss) on foreign exchange transactions	(22,996)	(399,220)	(53,948)	(116,232)
NET REALISED PROFIT/(LOSS) FOR THE YEAR	917,861	39,017,604	8,854,282	(6,425,862)
Change in net unrealised appreciation/(depreciation) on:				
Investments	575,785	(61,201,841)	(36,731,253)	(6,651,948)
Forward foreign exchange contracts	134,267	71,523	(11,409)	-
Financial future contracts	-	-	-	-
Interest rate swap contracts	-	-	-	-
Inflation swap contracts	-	-	-	-
Cross currency swap contracts	-	-	-	-
Total return swap contracts	-	-	-	-
Credit default swap contracts	-	-	-	-
Option contracts	-	-	-	-
Mortgage dollar rolls	-	-	-	-
Foreign exchange transactions	26,103	34,585	1,986	(4,615)
Capital gains tax	12,051	-	-	-
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS	1,666,067	(22,078,129)	(27,886,394)	(13,082,425)
MOVEMENT OF CAPITAL				
Issue of shares	15,702,655	362,317,895	277,908,885	11,900,662
Redemption of shares	(5,938,598)	(442,132,825)	(493,956,336)	(163,095,359)
Equalisation (note 24)	571,835	(535,380)	(1,704,992)	(1,351)
	10,335,892	(80,350,310)	(217,752,443)	(151,196,048)
Dividends paid/accumulated	(907,476)	(3,773,104)	(8,793,901)	(1,572,994)
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF MOVEMENT IN CAPITAL	9,428,416	(84,123,414)	(226,546,344)	(152,769,042)
NET ASSETS AT THE END OF THE YEAR	30,423,384	954,384,663	445,138,581	-
Portfolio Turnover Ratio (note 25)	(62.03)%	(54.62)%	(34.37)%	N/A

⁸This Fund was merged into Templeton Euroland Fund on November 23, 2018

Statement of Operations and Changes in Net Assets (continued)

For the Year ended June 30, 2019

Templeton Frontier Markets Fund (USD)	Templeton Global Fund (USD)	Templeton Global Balanced Fund (USD)	Templeton Global Bond Fund (USD)	Templeton Global Bond (Euro) Fund (EUR)	Templeton Global Climate Change Fund (EUR)	Templeton Global Currency Fund (USD)
668,087,891	1,151,854,028	915,673,862	15,504,808,485	311,170,103	644,131,608	11,532,277
-	-	-	-	-	-	-
668,087,891	1,151,854,028	915,673,862	15,504,808,485	311,170,103	644,131,608	11,532,277
20,766,650	27,440,701	15,511,728	-	-	15,743,621	-
-	-	14,909,048	1,009,260,378	19,530,463	-	706,554
420,425	774,836	655,603	4,613,190	471,269	171	4,602
-	82,199	-	-	-	234,415	-
-	-	-	-	106,662	-	-
-	140,441	85,651	7,896,744	128,968	1,368,017	922
21,187,075	28,438,177	31,162,030	1,021,770,312	20,237,362	17,346,224	712,078
8,339,707	9,591,925	6,819,485	104,133,463	2,025,654	6,176,945	75,434
-	-	-	-	-	-	-
1,449,982	2,381,930	2,141,777	33,259,193	685,428	1,487,381	24,902
1,289	2,252	1,877	31,754	662	1,324	24
217,669	454,743	424,902	6,303,619	135,415	306,825	4,751
626,880	111,179	213,102	6,582,382	129,638	66,377	4,869
10,865	13,502	13,970	32,018	8,700	9,592	13,554
56,299	96,005	81,037	1,389,336	28,479	57,679	1,723
2,679	-	4,066	3,620,791	186,107	59,631	-
-	-	-	14,148,117	-	-	-
2,161,116	4,464,648	4,294,538	48,487,396	1,026,060	3,112,958	56,049
283,483	270,055	210,922	3,557,017	73,447	-	2,742
13,149,969	17,386,239	14,205,676	221,545,086	4,299,590	11,278,712	184,048
-	(91,782)	(40,049)	(334,761)	(64,141)	-	(20,293)
13,149,969	17,294,457	14,165,627	221,210,325	4,235,449	11,278,712	163,755
8,037,106	11,143,720	16,996,403	800,559,987	16,001,913	6,067,512	548,323
18,889,959	35,306,378	32,543,317	(331,692,628)	(2,560,698)	32,751,639	(696,931)
(5,417,055)	-	(366,853)	784,553,933	(23,208,977)	7,232	300,568
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	1,836,353	-	-	-
-	-	-	-	-	-	-
(906,183)	(278,423)	(381,694)	(18,066,360)	(86,740)	76,172	9,077
20,603,827	46,171,675	48,791,173	1,237,191,285	(9,854,502)	38,902,555	161,037
(39,140,695)	(127,608,275)	(54,859,072)	194,213,829	11,978,861	(33,279,575)	566,584
1,419,326	-	(820,620)	(381,595,327)	265,480	(1,275)	(105,429)
-	-	-	-	-	-	-
-	-	-	(429,209,167)	(8,899,984)	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	(6,593,212)	-	-	-
-	-	-	-	-	-	-
(211,955)	31,445	287,930	14,545,757	301,135	(12,047)	2,353
1,988,797	-	124,034	9,216,468	72,472	-	3,130
(15,340,700)	(81,405,155)	(6,476,555)	637,769,633	(6,136,538)	5,609,658	627,675
158,954,058	89,774,711	126,030,041	4,285,679,071	98,611,957	15,772,347	4,245,571
(189,502,989)	(236,731,757)	(176,564,726)	(4,117,160,076)	(108,142,346)	(41,216,728)	(6,904,099)
(260,826)	(401,182)	(486,919)	1,424,113	(1,049,421)	(11,633)	(156,693)
(30,809,757)	(147,358,228)	(51,021,604)	169,943,108	(10,579,810)	(25,456,014)	(2,815,221)
(8,175,859)	(5,397,546)	(30,767,162)	(1,066,952,400)	(13,385,221)	(4,628,883)	(578,127)
(38,985,616)	(152,755,774)	(81,788,766)	(897,009,292)	(23,965,031)	(30,084,897)	(3,393,348)
613,761,575	917,693,099	827,408,541	15,245,568,826	281,068,534	619,656,369	8,766,604
70.29%	66.80%	22.99%	(22.10)%	(51.02)%	66.94%	(30.53)%

Statement of Operations and Changes in Net Assets (continued)

For the Year ended June 30, 2019

	Templeton Global Equity Income Fund (USD)	Templeton Global High Yield Fund (USD)	Templeton Global Income Fund (USD)	Templeton Global Smaller Companies Fund (USD)
NET ASSETS AT THE BEGINNING OF THE YEAR	141,000,794	145,646,981	912,320,444	122,143,577
Currency translation adjustment	-	-	-	-
	141,000,794	145,646,981	912,320,444	122,143,577
INCOME				
Dividends (net of withholding taxes) (note 2(m))	4,572,066	-	18,975,770	1,860,689
Interest on bonds (net of withholding taxes) (note 2(m))	-	10,921,923	20,595,276	-
Bank interest	39,397	17,751	156,354	114,207
Securities lending (notes 2(n), 14)	4,826	-	81,718	92,750
Net interest income on swaps	-	-	368,500	-
Sundry income	20,653	49,768	92,439	132,609
TOTAL INCOME	4,636,942	10,989,442	40,270,057	2,200,255
EXPENSES				
Investment management fees (note 15)	1,077,279	1,142,535	6,625,719	1,078,084
Performance fees (note 16)	-	-	-	-
Administration and transfer agency fees	270,795	319,616	1,852,295	267,628
Directors fees	248	292	1,778	234
Subscription tax (note 19)	57,220	65,627	381,248	54,982
Custodian fees	12,530	39,792	183,970	15,701
Audit fees	9,840	12,281	13,908	8,453
Printing and publishing expenses	10,443	12,708	75,332	10,116
Bank charges	123	12,137	168,671	123
Net interest expenses on swaps	-	7,608	-	-
Maintenance and service charges (note 20)	570,988	746,446	4,832,429	564,162
Other charges	10,711	32,699	210,982	13,285
TOTAL EXPENSES	2,020,177	2,391,741	14,346,332	2,012,768
Expenses reimbursement (note 21)	(204,868)	-	(21,690)	-
NET EXPENSES	1,815,309	2,391,741	14,324,642	2,012,768
NET PROFIT/(LOSS) FROM INVESTMENTS	2,821,633	8,597,701	25,945,415	187,487
Net realised profit/(loss) on sale of investments	4,617,463	(3,196,875)	(10,517,402)	6,352,806
Net realised profit/(loss) on forward foreign exchange contracts	(36,566)	1,938,417	20,062,703	-
Net realised profit/(loss) on financial future contracts	-	-	-	-
Net realised profit/(loss) on interest rate swap contracts	-	-	-	-
Net realised profit/(loss) on inflation swap contracts	-	-	-	-
Net realised profit/(loss) on total return swap contracts	-	-	-	-
Net realised profit/(loss) on credit default swap contracts	-	-	-	-
Net realised profit/(loss) on option contracts	-	4,159	24,060	-
Net realised profit/(loss) on mortgage dollar rolls	-	-	-	-
Net realised profit/(loss) on foreign exchange transactions	(22,505)	(343,685)	(762,250)	(21,767)
NET REALISED PROFIT/(LOSS) FOR THE YEAR	7,380,025	6,999,717	34,752,526	6,518,526
Change in net unrealised appreciation/(depreciation) on:				
Investments	(14,231,987)	1,984,493	(48,050,439)	(14,909,752)
Forward foreign exchange contracts	16,943	83,127	(8,505,366)	-
Financial future contracts	-	-	-	-
Interest rate swap contracts	-	(1,349,684)	(9,260,050)	-
Inflation swap contracts	-	-	-	-
Cross currency swap contracts	-	-	-	-
Total return swap contracts	-	-	-	-
Credit default swap contracts	-	-	-	-
Option contracts	(2,441)	(15,065)	(87,530)	-
Mortgage dollar rolls	-	-	-	-
Foreign exchange transactions	1,426	113,567	344,034	1,891
Capital gains tax	-	28,876	48,143	-
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS	(6,836,034)	7,845,031	(30,758,682)	(8,389,335)
MOVEMENT OF CAPITAL				
Issue of shares	19,674,300	30,182,211	96,790,360	10,032,386
Redemption of shares	(52,862,556)	(36,482,695)	(239,653,192)	(19,564,189)
Equalisation (note 24)	(147,087)	(42,307)	(1,329,246)	(1,188)
	(33,335,343)	(6,342,791)	(144,192,078)	(9,532,991)
Dividends paid/accumulated	(4,916,087)	(11,084,094)	(41,644,798)	(6,422)
NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF MOVEMENT IN CAPITAL	(38,251,430)	(17,426,885)	(185,836,876)	(9,539,413)
NET ASSETS AT THE END OF THE YEAR	95,913,330	136,065,127	695,724,886	104,214,829
Portfolio Turnover Ratio (note 25)	(7.32)%	(5.57)%	38.74%	17.96%

Statement of Operations and Changes in Net Assets (continued)

For the Year ended June 30, 2019

Templeton Global Total Return Fund (USD)	Templeton Growth (Euro) Fund (EUR)	Templeton Latin America Fund (USD)	Templeton Thailand Fund (USD)
17,571,329,650	7,362,059,685	991,907,089	167,245,593
-	-	-	-
17,571,329,650	7,362,059,685	991,907,089	167,245,593
61,653	191,416,588	34,778,606	4,050,363
1,471,884,328	1,176,799	-	-
5,181,874	3,108,204	281,387	272,564
-	788,866	-	-
-	-	-	-
5,264,567	700,040	277,686	-
1,482,392,422	197,190,497	35,337,679	4,322,927
118,751,451	70,796,535	13,715,822	2,648,952
-	-	-	-
37,301,011	16,769,056	2,438,109	407,938
35,772	15,283	2,116	351
7,141,393	3,527,902	465,634	83,524
8,609,176	729,702	345,257	77,334
33,951	15,807	13,125	10,133
1,564,982	661,409	92,615	15,482
5,717,592	1,074,719	617	-
3,574,309	-	-	-
57,068,764	35,456,067	4,907,618	895,750
4,000,219	1,756,042	684,530	39,976
243,798,620	130,802,522	22,665,443	4,179,440
(244,127)	(29)	(18,312)	-
243,554,493	130,802,493	22,647,131	4,179,440
1,238,837,929	66,388,004	12,690,548	143,487
(743,660,816)	403,187,146	8,420,575	2,512,190
776,791,787	-	(3,293,998)	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
2,117,337	591,030	-	-
-	-	-	-
(49,013,300)	(4,819,627)	(138,544)	(28,979)
1,225,072,937	465,346,553	17,678,581	2,626,698
229,593,165	(791,337,977)	171,595,866	22,600,282
(303,353,654)	-	27,113	-
-	-	-	-
(506,543,978)	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
(7,603,452)	-	-	-
-	-	-	-
19,061,997	137,697	46,161	(2,665)
11,817,729	-	-	-
668,044,744	(325,853,727)	189,347,721	25,224,315
6,599,215,520	207,075,652	166,195,274	99,242,591
(6,111,000,797)	(359,987,422)	(334,512,043)	(116,289,576)
(3,416,905)	(355,767)	(566,255)	(12,616)
484,797,818	(153,267,537)	(168,883,024)	(17,059,601)
(1,529,835,567)	(45,559,277)	(10,923,288)	(135,109)
(1,045,037,749)	(198,826,814)	(179,806,312)	(17,194,710)
17,194,336,645	6,837,379,144	1,001,448,498	175,275,198
(45.07)%	47.22%	(2.29)%	(51.12)%

Statistical Information

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Franklin Asia Credit Fund – USD					
A (acc) USD	1.50%	114,447.323	11.53	10.63	10.85
A (Mdis) AUD-H1 (hedged)	1.50%	231,654.420	9.92	9.63	10.22
A (Mdis) SGD-H1 (hedged)	1.50%	259,620.000	9.50	9.25	9.90
A (Mdis) USD	1.50%	137,458.885	9.61	9.28	9.86
I (acc) USD	0.95%	200,000.000	11.83	10.84	11.00
Y (Mdis) USD	0.20%	500.000	10.34	9.86	10.34
Franklin Biotechnology Discovery Fund – USD					
A (acc) CHF-H1 (hedged)	1.82%	123,427.067	14.86	15.41	15.08
A (acc) EUR-H1 (hedged)	1.82%	15,270.824	10.51	10.83	-
A (acc) HKD	1.82%	745,917.819	21.22	21.27	20.11
A (acc) SGD	1.82%	817,637.733	32.14	32.28	31.00
A (acc) USD	1.82%	44,899,546.789	32.60	32.52	30.91
B (acc) USD	3.13%	440,003.436	25.49	25.76	24.81
C (acc) USD	2.40%	433,050.215	38.30	38.43	36.74
F (acc) USD	2.82%	4,022,996.993	10.81	10.89	10.45
I (acc) EUR-H1 (hedged)	0.97%	468,174.376	20.78	21.27	20.60
I (acc) USD	0.97%	2,545,591.312	49.70	49.16	46.33
N (acc) USD	2.57%	4,510,130.866	28.00	28.14	26.95
W (acc) USD	1.02%	1,962,083.132	15.57	15.41	14.53
Z (acc) GBP	1.32%	100,672.270	33.85	32.31	30.98
Z (acc) USD	1.33%	284,721.108	11.87	11.79	11.15
Franklin Brazil Opportunities Fund – USD					
A (acc) EUR-H1 (hedged)	1.93%	169,094.040	10.57	9.72	9.95
A (acc) USD	1.93%	278,371.824	11.52	10.28	10.22
A (Qdis) HKD	1.86%	5,560.398	7.77	7.53	8.07
A (Qdis) USD	1.92%	561,099.150	7.68	7.42	8.00
I (acc) USD	1.04%	416.667	12.19	10.79	10.63
N (acc) EUR-H1 (hedged)	2.43%	252,694.758	10.24	9.46	9.73
N (acc) USD	2.43%	557,558.046	11.13	9.99	9.98
N (Qdis) USD	2.42%	581,338.403	7.52	7.30	7.91
Franklin Diversified Balanced Fund – EUR					
A (acc) CZK-H1 (hedged)	1.57%	714,210.521	97.07	100.58	101.39
A (acc) EUR	1.58%	4,729,742.805	12.81	13.45	13.48
A (acc) SGD-H1 (hedged)	1.57%	13,959.561	10.09	10.37	10.22
A (Qdis) EUR	1.58%	328,053.983	7.95	8.72	9.26
A (Ydis) EUR	1.58%	3,833,425.950	11.56	12.55	13.28
G (acc) EUR	2.28%	135,786.317	9.20	9.74	9.82
I (acc) EUR	0.83%	8,716,452.153	13.73	14.31	14.24
I (acc) USD-H1 (hedged)	0.81%	10,001.985	10.49	10.61	10.30
I (Qdis) EUR	0.82%	447.828	8.19	8.92	9.39
I (Ydis) EUR	0.81%	294.722	13.27	14.28	14.23
N (acc) EUR	2.38%	396,065.046	11.73	12.42	12.54
N (Ydis) EUR	2.38%	114,869.075	8.05	8.81	9.40
W (Ydis) EUR	0.87%	1,769.175	8.80	9.48	9.97
Franklin Diversified Conservative Fund – EUR					
A (acc) CZK-H1 (hedged)	1.42%	819,920.499	96.31	97.21	99.89
A (acc) EUR	1.43%	4,029,072.124	13.06	13.37	13.64
A (acc) SGD-H1 (hedged)	1.43%	13,902.714	10.07	10.09	10.11
A (Qdis) EUR	1.43%	370,817.663	8.58	9.11	9.68
A (Qdis) USD-H1 (hedged)	1.42%	9,844.338	9.61	9.87	-
A (Ydis) EUR	1.43%	5,135,302.650	12.23	12.74	13.48
G (acc) EUR	2.23%	131,548.306	9.34	9.63	9.90
I (acc) EUR	0.74%	5,679,586.740	13.85	14.07	14.26
I (acc) USD-H1 (hedged)	0.75%	34,600.000	10.46	10.30	10.18
I (Qdis) EUR	0.74%	447.828	8.81	9.28	9.80
I (Ydis) EUR	0.74%	37,238.231	13.01	13.45	14.14
N (acc) EUR	2.33%	2,755,784.903	11.80	12.18	12.54
N (acc) USD-H1 (hedged)	2.33%	11,049.317	10.04	10.06	10.08
N (Ydis) EUR	2.33%	886,065.563	8.63	9.07	9.69
W (Ydis) EUR	0.75%	1,987.180	9.43	9.76	10.26
Franklin Diversified Dynamic Fund – EUR					
A (acc) CZK-H1 (hedged)	1.73%	694,321.802	95.44	100.96	101.71
A (acc) EUR	1.73%	5,886,274.768	12.42	13.32	13.34
A (acc) NOK-H1 (hedged)	1.73%	225,395.978	9.28	9.83	9.72
A (acc) SEK-H1 (hedged)	1.73%	97,752.236	8.83	9.48	9.49
A (acc) SGD-H1 (hedged)	1.73%	14,807.015	9.87	10.36	10.21
A (Ydis) EUR	1.73%	760,978.753	11.35	12.77	13.34
I (acc) EUR	0.88%	3,002,951.119	13.45	14.30	14.21
I (acc) USD-H1 (hedged)	0.86%	10,026.678	10.29	10.61	10.30
I (Ydis) EUR	0.89%	343.506	13.49	14.34	14.24
N (acc) EUR	2.48%	152,118.145	11.24	12.14	12.25
W (Ydis) EUR	0.92%	2,629.685	8.28	9.24	9.85

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Franklin Emerging Markets Debt Opportunities Hard Currency Fund – USD*					
I (acc) USD	0.90%	1,062,740.949	10.73	-	-
I (Ydis) EUR-H1 (hedged)	0.90%	21,997.360	10.58	-	-
I (Ydis) USD	0.90%	650,000.000	10.73	-	-
W (Ydis) EUR-H1 (hedged)	0.95%	21,997.360	10.58	-	-
W (Ydis) USD	0.95%	650,000.000	10.73	-	-
Y (acc) USD	0.10%	500.000	10.38	-	-
Franklin Euro Government Bond Fund – EUR					
A (Ydis) EUR	0.80%	1,667,206.522	11.53	10.99	11.11
I (acc) EUR	0.50%	2,445,385.978	16.44	15.49	15.46
I (Qdis) EUR	0.50%	378.479	11.32	10.77	10.84
N (acc) EUR	1.35%	891,751.282	14.12	13.42	13.53
Franklin Euro High Yield Fund – EUR					
A (acc) EUR	1.52%	2,598,554.620	19.55	18.79	18.88
A (Mdis) EUR	1.52%	42,851,898.271	6.00	6.00	6.27
A (Mdis) USD	1.52%	1,910,300.410	8.64	8.87	9.07
A (Mdis) USD-H1 (hedged)	1.52%	1,062,814.347	10.27	9.94	10.14
A (Ydis) EUR	1.52%	6,830,393.880	6.22	6.23	6.54
B (Mdis) EUR	2.93%	263,486.827	10.56	10.71	11.35
B (Mdis) USD	2.93%	732,087.470	8.56	8.92	9.25
I (acc) EUR	0.87%	3,301,367.029	21.70	20.71	20.67
I (Ydis) EUR	0.85%	26,000.000	9.64	9.59	10.01
N (acc) EUR	2.12%	3,944,603.790	17.46	16.87	17.06
W (acc) EUR	0.91%	40,695.140	12.41	11.85	11.84
Franklin Euro Short Duration Bond Fund – EUR					
A (acc) EUR	0.75%	2,435,004.521	10.16	10.16	10.27
A (Ydis) EUR	0.75%	75,729.095	10.00	10.04	10.22
I (acc) EUR	0.45%	5,056,562.434	10.35	10.32	10.39
N (acc) EUR	1.30%	1,343,305.840	9.87	9.92	10.09
W (acc) EUR	0.50%	50,679.023	10.30	10.29	10.37
Y (Mdis) EUR	0.06%	659.152	10.06	10.03	10.10
Y (Mdis) USD-H1 (hedged)	0.06%	2,426,025.236	10.36	10.00	-
Franklin Euro Short-Term Money Market Fund – EUR					
A (acc) EUR	0.22%	68,734.061	991.79	997.77	1,004.40
I (acc) EUR	0.22%	12,167.552	994.40	1,000.40	1,007.05
Franklin European Corporate Bond Fund – EUR					
A (acc) EUR	1.00%	1,182,109.683	13.66	13.11	13.16
A (Ydis) EUR	1.00%	489,742.648	11.51	11.23	11.49
I (acc) EUR	0.60%	2,381,990.780	14.29	13.65	13.65
I (Ydis) EUR	0.60%	387.931	11.69	11.36	11.58
N (acc) EUR	1.70%	879,134.233	12.67	12.24	12.39
N (Ydis) EUR	1.70%	584,873.121	11.14	10.94	11.29
W (acc) EUR	0.65%	3,168.148	11.45	10.95	10.95
Y (Mdis) EUR	0.05%	68,427.974	10.67	10.31	10.41
Franklin European Dividend Fund – EUR					
A (acc) EUR	1.84%	1,153,527.572	16.90	16.89	16.68
A (Mdis) SGD-H1 (hedged)	1.84%	13,058.961	10.42	10.65	10.85
A (Mdis) USD	1.84%	167,576.352	8.37	9.00	9.09
A (Mdis) USD-H1 (hedged)	1.84%	10,103.371	9.96	10.10	-
A (Ydis) EUR	1.84%	3,784,202.228	12.38	12.91	13.46
I (acc) EUR	0.92%	1,074,581.587	18.11	17.93	17.56
I (Qdis) EUR*	0.98%	523,040.749	10.55	-	-
N (acc) EUR	2.59%	595,206.903	15.92	16.04	15.96
N (acc) PLN-H1 (hedged)	2.59%	2,338,390.102	12.16	12.01	11.72
W (Qdis) CHF-H1 (hedged)*	1.00%	9,923.320	10.53	-	-
Y (Mdis) EUR	0.06%	441.840	9.09	9.34	9.50
Franklin European Growth Fund – EUR					
A (acc) EUR	1.83%	9,450,810.591	15.35	16.20	16.39
A (acc) NOK-H1 (hedged)	1.84%	646,316.551	10.85	11.30	11.30
A (acc) SGD-H1 (hedged)	1.83%	236,452.631	13.48	13.94	13.89
A (acc) USD	1.83%	1,154,312.197	11.12	12.06	11.93
A (acc) USD-H1 (hedged)	1.83%	1,463,992.211	11.68	11.93	11.81
A (Ydis) GBP	1.83%	40,121.171	17.58	18.41	18.67
I (acc) EUR	0.97%	447,774.583	31.01	32.45	32.54
N (acc) EUR	2.58%	4,723,962.151	13.32	14.17	14.44
N (acc) USD	2.58%	671,016.469	10.60	11.59	11.55
W (acc) EUR	1.03%	29,348.889	11.56	12.10	12.15
Franklin European Income Fund – EUR					
A (acc) EUR	1.70%	103,612.343	11.57	11.29	11.47
A (Mdis) EUR	1.70%	632,612.673	10.22	10.27	10.71
A (Mdis) SGD-H1 (hedged)	1.70%	52,310.759	10.81	10.63	10.94
A (Mdis) USD	1.70%	27,211.745	9.32	9.63	9.83
I (acc) EUR	0.90%	5,108.015	12.01	11.62	11.71

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Franklin European Income Fund – EUR (continued)					
I (Mdis) EUR	0.89%	23,347.349	10.61	10.58	10.95
N (acc) EUR	2.20%	331,940.615	11.31	11.09	11.32
N (Mdis) EUR	2.20%	689,329.493	9.97	10.07	10.57
N (Mdis) USD-H1 (hedged)	2.20%	15,107.745	9.46	9.27	9.50
W (acc) EUR	0.94%	85,916.537	11.93	11.55	11.65
W (Mdis) EUR	0.95%	3,668.217	10.53	10.51	10.89
Z (acc) EUR	1.20%	3,669.399	11.85	11.50	11.62
Z (Mdis) EUR	1.20%	3,652.610	10.46	10.46	10.86
Franklin European Small-Mid Cap Fund – EUR					
A (acc) EUR	1.83%	3,389,173.309	36.57	40.03	38.96
A (acc) USD	1.83%	638,955.660	41.59	46.79	44.52
A (acc) USD-H1 (hedged)*	1.82%	9,988.874	9.17	-	-
C (acc) USD-H1 (hedged)*	2.40%	24,325.792	9.12	-	-
I (acc) EUR	0.98%	2,849,737.835	44.82	48.65	46.94
I (acc) USD	1.23%	3,430.880	50.57	56.56	53.51
I (acc) USD-H1 (hedged)	0.96%	10,235.799	11.68	12.29	11.58
N (acc) EUR	2.58%	439,261.198	33.20	36.62	35.91
N (acc) USD-H1 (hedged)*	2.57%	9,988.874	9.11	-	-
W (acc) EUR	1.04%	125,019.391	15.84	17.20	16.61
X (acc) EUR	0.15%	388.991	13.29	14.32	13.70
Y (Mdis) EUR	0.06%	435.983	9.36	10.35	10.25
Franklin European Total Return Fund – EUR					
A (acc) EUR	0.95%	4,322,461.457	15.62	14.98	15.25
A (acc) NOK-H1 (hedged)	0.95%	147,691.683	12.53	11.83	11.92
A (acc) SEK-H1 (hedged)	0.95%	100,284.056	11.68	11.18	11.38
A (Mdis) EUR	0.95%	4,988,732.132	10.20	9.93	10.24
A (Mdis) USD	0.95%	81,788.903	11.61	11.63	11.72
I (acc) EUR	0.55%	3,326,955.252	15.43	14.73	14.95
N (acc) EUR	1.65%	3,512,786.555	13.98	13.50	13.84
N (acc) PLN-H1 (hedged)	1.65%	2,172,300.558	10.91	10.33	10.39
N (Mdis) EUR	1.65%	3,199,535.636	11.22	11.01	11.43
W (acc) EUR	0.60%	283,085.021	11.62	11.10	11.27
Franklin Flexible Alpha Bond Fund – USD					
A (acc) EUR	1.39%	20,386.307	10.40	9.89	10.05
A (acc) EUR-H1 (hedged)	1.39%	17,261.330	9.70	9.78	9.98
A (acc) USD	1.39%	1,599.472	10.47	10.24	10.17
A (Qdis) EUR-H1 (hedged)	1.39%	9,483.658	9.35	9.64	9.94
I (acc) EUR	0.75%	681,679.233	10.62	10.05	10.14
I (acc) EUR-H1 (hedged)	0.75%	64,750.000	9.90	9.93	10.05
I (acc) GBP-H1 (hedged)	0.75%	6,945.849	10.29	10.20	10.22
I (acc) NOK-H1 (hedged)	0.75%	86,610.315	10.17	10.04	10.02
I (acc) SEK-H1 (hedged)	0.75%	90,688.807	9.90	9.90	9.99
I (acc) USD	0.75%	492.126	10.67	10.39	10.26
I (Ydis) GBP-H1 (hedged)	0.75%	6,945.477	9.94	10.05	10.21
I (Ydis) USD	0.75%	430.291	10.33	10.25	10.25
N (acc) EUR	1.99%	28,219.112	10.17	9.75	9.96
N (acc) EUR-H1 (hedged)	1.99%	12,955.061	9.47	9.64	9.87
N (Qdis) EUR-H1 (hedged)	1.99%	14,806.826	9.41	9.64	9.89
N (Qdis) USD	1.99%	22,590.108	10.19	10.12	10.10
W (acc) USD	0.79%	500.000	10.38	10.11	9.99
Y (acc) GBP-H1 (hedged)	0.05%	21,938,111.669	10.28	10.12	10.08
Y (Mdis) USD	0.05%	15,030,060.120	9.96	9.96	10.00
Franklin GCC Bond Fund – USD					
A (acc) USD	1.38%	1,268,863.666	14.07	12.57	12.61
A (Mdis) USD	1.37%	2,589,586.310	10.94	10.36	10.89
B (acc) USD	2.90%	437.445	12.87	11.68	11.91
B (Mdis) USD ^Ω	-	-	-	9.91	10.59
I (acc) EUR-H1 (hedged)	0.82%	1,420,415.765	10.56	9.68	-
I (acc) USD	0.82%	2,984,167.580	14.56	12.94	12.90
W (Mdis) USD	0.89%	559,439.906	10.27	9.68	10.12
Y (Ydis) EUR-H1 (hedged)*	0.04%	2,581,409.433	10.32	-	-
Franklin Global Aggregate Bond Fund – USD					
A (acc) EUR	1.25%	231,646.950	13.46	12.29	12.85
A (acc) EUR-H1 (hedged)	1.25%	36,958.768	9.89	9.58	10.08
A (acc) USD	1.25%	175,632.598	10.94	10.27	10.49
A (Mdis) EUR	1.25%	198,883.779	12.07	11.25	11.91
A (Mdis) USD	1.25%	53,902.456	9.87	9.45	9.77
I (acc) EUR	0.58%	13,747.540	14.23	12.91	13.41
I (acc) EUR-H1 (hedged)	0.58%	7,874.089	10.17	9.77	10.21
I (acc) USD	0.57%	505,910.654	11.63	10.84	11.01
N (acc) EUR	1.95%	267,735.628	12.68	11.67	12.28
N (acc) EUR-H1 (hedged)	1.95%	44,133.278	9.35	9.12	9.65
N (acc) USD	1.95%	1,054.172	10.34	9.77	10.05

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Franklin Global Aggregate Bond Fund – USD (continued)					
W (acc) EUR	0.60%	48,250.000	12.49	11.33	11.77
Y (Mdis) USD	0.09%	487.811	10.35	9.91	10.25
Z (Mdis) USD	0.95%	500.000	9.72	9.30	9.63
Franklin Global Aggregate Investment Grade Bond Fund – USD ^Ω					
A (acc) USD	-	-	-	10.25	10.43
I (acc) USD	-	-	-	10.66	10.78
Z (acc) USD	-	-	-	9.60	9.74
Franklin Global Convertible Securities Fund – USD					
A (acc) CHF-H1 (hedged)	1.56%	400,832.104	14.13	13.16	12.21
A (acc) EUR	1.56%	4,186,337.893	18.95	16.54	15.26
A (acc) EUR-H1 (hedged)	1.57%	4,183,734.929	14.52	13.47	12.46
A (acc) HKD	1.57%	23,570.485	16.13	14.54	13.05
A (acc) USD	1.56%	7,593,988.357	16.02	14.37	12.97
A (Ydis) EUR	1.56%	1,534,307.757	18.42	16.08	14.87
A (Ydis) EUR-H1 (hedged)	1.57%	988,952.194	14.15	13.12	12.16
C (acc) USD [†]	2.13%	1,204,538.652	10.63	-	-
I (acc) EUR	0.87%	1,192,370.990	19.97	17.31	15.86
I (acc) EUR-H1 (hedged)	0.86%	7,514,237.907	12.83	11.81	10.85
I (acc) USD	0.86%	4,856,332.698	16.88	15.04	13.47
N (acc) EUR	2.31%	3,069,357.353	17.94	15.78	14.67
N (acc) USD	2.31%	1,896,082.201	15.15	13.70	12.45
W (acc) CHF-H1 (hedged)	0.91%	2,811,272.788	11.53	10.65	-
W (acc) EUR-H1 (hedged)	0.91%	197,905.984	11.60	10.67	-
W (acc) USD	0.90%	2,034,405.118	12.37	11.03	9.89
Franklin Global Corporate Investment Grade Bond Fund – USD [†]					
S (Ydis) USD	0.60%	800,000.000	10.59	-	-
Franklin Global Fundamental Strategies Fund – USD					
A (acc) EUR	1.84%	40,412,856.037	12.34	12.03	12.35
A (acc) EUR-H1 (hedged)	1.84%	11,877,489.514	8.76	9.05	9.33
A (acc) USD	1.84%	7,644,097.100	14.01	14.04	14.09
A (Ydis) EUR	1.84%	72,871,308.497	10.82	10.74	11.17
I (acc) EUR	0.92%	3,197,582.220	13.63	13.17	13.40
N (acc) EUR	2.59%	1,196,331.079	12.61	12.38	12.81
N (acc) EUR-H1 (hedged)	2.59%	4,347,468.231	7.68	8.00	8.31
N (acc) PLN-H1 (hedged)	2.59%	1,622,561.446	15.57	15.89	16.22
N (acc) USD	2.59%	485,845.837	10.97	11.07	11.20
N (Ydis) EUR	2.59%	3,311,089.118	12.90	12.79	13.32
W (acc) EUR	0.97%	91,107.778	9.69	9.36	9.54
W (acc) EUR-H1 (hedged)	0.98%	9,952.572	9.72	9.97	10.21
W (acc) USD	0.97%	721.822	10.39	10.32	10.27
W (Ydis) EUR	0.92%	17,277.595	9.37	9.29	9.54
Franklin Global Listed Infrastructure Fund – USD					
A (acc) EUR	1.85%	828,323.748	17.35	15.16	15.17
A (acc) USD	1.85%	711,165.187	15.13	13.59	13.30
A (Qdis) USD	1.85%	144,621.429	12.77	11.81	11.91
A (Ydis) EUR	1.85%	120,577.232	15.02	13.52	13.89
I (acc) EUR	1.00%	55,268.053	18.28	15.84	15.72
I (acc) GBP-H1 (hedged)	0.98%	36,000.000	15.41	13.95	13.71
I (acc) USD	0.99%	57,452.193	15.96	14.19	13.77
N (acc) EUR	2.60%	398,159.168	16.56	14.58	14.70
W (acc) GBP	1.05%	9,446.496	19.33	16.56	16.31
W (acc) USD	1.04%	500.000	11.42	10.17	-
W (Qdis) GBP	1.05%	4,206.252	16.32	14.40	14.60
Y (Mdis) USD	0.08%	1,244,340.959	13.08	11.87	11.75
Franklin Global Multi-Asset Income Fund – EUR					
A (acc) EUR	1.69%	1,775,905.311	11.02	11.42	11.83
A (acc) USD-H1 (hedged)	1.68%	376,895.714	9.99	10.02	10.11
A (Mdis) EUR	1.68%	281,092.135	7.97	8.69	9.50
A (Mdis) SGD-H1 (hedged)	1.68%	19,870.453	8.01	8.56	9.20
A (Mdis) USD-H1 (hedged)	1.68%	1,288,190.705	8.17	8.64	9.20
A (Qdis) EUR	1.69%	6,902,873.785	8.48	9.25	10.12
A (Ydis) EUR	1.69%	814,810.636	8.83	9.64	10.57
C (acc) USD-H1 (hedged)	2.27%	45,866.890	9.65	9.74	9.89
G (Qdis) EUR	2.28%	1,840,898.582	8.17	8.97	9.82
I (acc) EUR	0.82%	2,516,042.886	11.58	11.89	12.22
I (Mdis) USD-H1 (hedged)	0.81%	18,085.472	8.45	8.85	9.35
I (Qdis) EUR	0.75%	452.156	8.87	9.60	10.42
N (acc) EUR	2.18%	3,987,248.851	10.69	11.13	11.59
N (acc) USD-H1 (hedged)	2.19%	198,529.027	9.99	10.07	10.22
N (Mdis) USD-H1 (hedged)	2.18%	1,200,517.711	7.99	8.50	9.10
N (Qdis) EUR	2.18%	2,802,432.104	7.44	8.17	8.98
N (Ydis) EUR	2.18%	520,135.435	7.74	8.50	9.36

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Franklin Global Multi-Asset Income Fund – EUR (continued)					
W (Mdis) USD-H1 (hedged)	0.80%	377,218.692	9.00	9.44	9.98
W (Ydis) EUR	0.87%	58,238.313	8.73	9.45	10.29
Y (Mdis) AUD-H1 (hedged) ^Ω	-	-	-	9.68	-
Z (Mdis) USD-H1 (hedged)	1.14%	35,246.221	8.34	8.76	9.29
Franklin Global Real Estate Fund – USD					
A (acc) EUR-H1 (hedged)	1.86%	526,604.110	16.02	15.50	15.33
A (acc) USD	1.86%	4,094,856.273	13.21	12.40	11.93
A (Qdis) USD	1.86%	1,577,552.720	10.13	9.78	9.66
A (Ydis) EUR-H1 (hedged)	1.86%	123,679.935	13.58	13.52	13.70
B (Qdis) USD	3.17%	450,250.674	9.25	9.05	9.06
C (Qdis) USD	2.44%	1,525,339.211	9.76	9.48	9.42
I (acc) CAD	0.97%	626.375	11.68	10.91	-
I (acc) USD	0.98%	1,249,430.279	14.88	13.85	13.21
N (acc) EUR-H1 (hedged)	2.61%	249,207.252	14.98	14.61	14.54
N (acc) USD	2.61%	1,503,262.383	11.94	11.29	10.95
W (acc) USD	1.06%	70,902.782	11.11	10.34	9.87
W (Qdis) USD	1.10%	82,636.340	11.28	10.79	10.57
Y (Mdis) USD	0.06%	762,979.903	10.87	10.30	10.00
Z (acc) USD	1.37%	213,970.937	11.94	11.16	10.69
Franklin Global Small-Mid Cap Fund – USD					
A (acc) USD	1.85%	2,188,147.177	31.13	33.44	33.12
B (acc) USD	3.16%	17,686.325	24.78	26.98	27.07
I (acc) USD	1.01%	100,668.564	17.75	18.92	18.57
N (acc) USD	2.60%	364,968.112	27.12	29.36	29.29
W (acc) USD	1.05%	120,562.424	10.43	11.12	10.92
X (acc) USD	0.15%	500.000	11.08	11.71	11.40
Franklin Gold and Precious Metals Fund – USD					
A (acc) CHF-H1 (hedged)	1.85%	514,207.285	3.16	2.96	3.57
A (acc) EUR	1.85%	7,927,398.382	5.23	4.56	5.48
A (acc) EUR-H1 (hedged)	1.85%	3,573,321.161	3.76	3.50	4.24
A (acc) HKD	1.85%	6,365,997.704	4.50	4.05	4.72
A (acc) SGD	1.84%	3,582,088.490	4.41	3.98	4.72
A (acc) USD	1.85%	19,907,626.411	4.47	4.01	4.70
A (Ydis) EUR	1.84%	5,423,898.451	5.23	4.57	5.48
I (acc) USD	1.02%	75,244.165	4.85	4.31	5.01
N (acc) EUR	2.59%	7,413,609.802	4.88	4.29	5.19
N (acc) USD	2.59%	4,596,984.629	4.16	3.76	4.44
Franklin High Yield Fund – USD					
A (acc) EUR	1.52%	249,651.856	10.85	9.94	-
A (acc) USD	1.53%	5,068,212.621	18.93	17.82	17.69
A (Mdis) AUD-H1 (hedged)	1.53%	1,331,722.998	8.88	8.91	9.36
A (Mdis) SGD-H1 (hedged)	1.53%	2,174,091.472	7.37	7.42	7.87
A (Mdis) USD	1.53%	219,427,841.989	5.92	5.91	6.22
B (Mdis) USD	2.94%	16,429,297.957	5.62	5.69	6.08
C (acc) USD	2.20%	895,072.661	23.89	22.65	22.63
F (Mdis) USD	2.53%	2,497,993.474	9.38	9.46	10.06
I (acc) EUR-H1 (hedged)	0.88%	438,653.755	12.98	12.53	12.67
I (acc) USD	0.87%	612,166.495	20.06	18.76	18.50
I (Mdis) USD	0.89%	899,106.385	9.54	9.46	9.91
N (acc) EUR	2.12%	503,332.812	10.74	9.90	-
N (acc) USD	2.12%	1,858,316.957	19.36	18.34	18.31
N (Mdis) USD	2.12%	2,093,018.659	8.07	8.10	8.58
W (Mdis) USD	0.92%	486,341.775	9.69	9.62	10.06
Y (Mdis) USD	0.05%	148,708.696	9.41	9.26	9.60
Z (Mdis) USD	1.13%	502,098.781	8.88	8.83	9.26
Franklin Income Fund – USD					
A (acc) USD	1.68%	3,571,416.838	11.33	10.94	10.59
A (Mdis) AUD-H1 (hedged)	1.68%	1,506,757.636	9.22	9.44	9.59
A (Mdis) EUR-H1 (hedged)	1.68%	2,142,216.825	8.33	8.76	9.11
A (Mdis) HKD*	1.63%	3,921.525	10.24	-	-
A (Mdis) SGD-H1 (hedged)	1.68%	2,018,825.037	8.01	8.23	8.40
A (Mdis) USD	1.68%	72,764,384.100	11.34	11.55	11.70
A (Mdis) ZAR-H1 (hedged)	1.68%	299,713.157	106.51	104.01	99.96
B (Mdis) USD	2.99%	4,647,516.943	10.28	10.60	10.89
C (acc) USD	2.26%	3,622,989.859	24.98	24.27	23.63
C (Mdis) USD	2.26%	5,178,743.735	14.24	14.59	14.87
F (Mdis) USD	2.68%	3,215,802.440	9.61	9.88	10.12
I (acc) EUR	0.86%	1,216,786.354	12.24	11.41	11.21
I (acc) USD	0.87%	1,687,739.135	22.63	21.68	20.82
I (Ydis) EUR-H1 (hedged)	0.86%	10,138.750	8.95	9.34	9.62
N (acc) EUR-H1 (hedged)	2.18%	502,379.132	9.90	9.91	9.90
N (acc) USD	2.18%	7,913,867.706	23.28	22.60	21.98
N (Mdis) EUR	2.16%	453.233	9.55	9.51	9.91

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Franklin Income Fund – USD (continued)					
N (Mdis) EUR-H1 (hedged)	2.18%	3,915,861.114	8.17	8.63	9.02
N (Mdis) USD	2.18%	1,106,974.141	8.68	8.88	9.05
W (acc) USD	0.92%	741,331.973	10.97	10.52	10.11
W (Mdis) USD	0.93%	621,090.282	10.08	10.19	10.26
Z (acc) USD	1.18%	1,060,052.932	17.15	16.48	15.88
Z (Mdis) USD	1.18%	722,718.087	10.46	10.60	10.69
Franklin India Fund – USD					
A (acc) EUR	1.87%	8,967,636.244	40.98	39.40	39.83
A (acc) EUR-H1 (hedged)	1.88%	1,474,850.405	11.11	11.34	11.50
A (acc) HKD	1.87%	1,339,307.940	17.82	17.68	17.39
A (acc) SEK	1.87%	8,061,345.529	21.91	20.87	19.40
A (acc) SGD	1.87%	1,476,441.048	14.18	14.11	14.09
A (acc) USD	1.87%	17,369,756.289	38.52	38.06	37.62
A (Ydis) EUR	1.87%	465,932.955	60.44	58.11	58.74
A (Ydis) GBP	1.87%	135,657.175	54.09	51.40	51.50
AS (acc) SGD	1.75%	299,453.639	11.89	11.81	11.78
B (acc) USD	3.18%	232,882.281	32.27	32.31	32.35
C (acc) USD	2.45%	229,312.245	35.56	35.34	35.13
I (acc) EUR	1.02%	1,039,297.613	46.28	44.12	44.23
I (acc) USD	1.02%	11,529,356.685	43.55	42.67	41.82
I (Ydis) EUR	1.02%	12,473.193	45.43	43.35	43.46
N (acc) EUR	2.62%	2,050,073.329	37.13	35.97	36.64
N (acc) PLN-H1 (hedged)	2.62%	2,792,108.468	18.19	18.30	18.31
N (acc) USD	2.62%	1,764,114.515	34.77	34.62	34.47
S (acc) USD	0.78%	236,607.000	20.42	19.97	19.55
W (acc) EUR	1.07%	286,718.292	22.67	21.63	21.69
W (acc) EUR-H1 (hedged)	1.08%	1,721,145.260	8.58	8.69	-
W (acc) GBP	1.07%	1,721,738.552	25.26	23.81	23.68
W (acc) USD	1.07%	910,539.816	20.50	20.10	19.71
X (acc) USD	0.25%	500.000	19.41	18.87	18.35
Y (Mdis) USD	0.10%	500.000	14.54	14.23	13.90
Z (acc) GBP	1.37%	15,437.701	24.78	23.43	23.36
Z (acc) USD	1.37%	244,265.961	15.82	15.56	15.30
Franklin Japan Fund – JPY					
A (acc) EUR	1.88%	1,068,466.840	6.58	7.44	6.84
A (acc) JPY	1.88%	2,071,973.763	808.35	963.94	880.78
A (acc) USD	1.88%	3,910,271.749	7.49	8.71	7.83
A (acc) USD-H1 (hedged)	1.86%	176,729.026	9.17	10.65	9.60
C (acc) USD	2.46%	320,859.539	8.13	9.49	8.58
I (acc) EUR	0.98%	350,610.133	10.57	11.84	10.80
I (acc) USD	0.97%	93,190.876	9.96	11.46	10.21
N (acc) EUR	2.63%	1,196,645.174	5.69	6.47	6.00
N (acc) USD	2.63%	652,715.640	9.90	11.58	10.49
W (acc) EUR	0.97%	9,712.107	14.32	16.03	14.62
Franklin K2 Alternative Strategies Fund – USD					
A (acc) CHF-H1 (hedged)	2.75%	462,223.573	9.80	9.94	9.93
A (acc) CZK-H1 (hedged)	2.75%	2,979,723.064	99.91	99.16	99.14
A (acc) EUR	2.75%	278,173.208	10.39	-	-
A (acc) EUR-H1 (hedged)	2.75%	23,385,380.896	10.61	10.68	10.66
A (acc) NOK-H1 (hedged)	2.75%	285,650.950	10.82	10.73	10.58
A (acc) SEK-H1 (hedged)	2.75%	236,575.685	10.22	10.27	10.23
A (acc) SGD-H1 (hedged)	2.75%	353,497.325	11.44	11.27	11.05
A (acc) USD	2.75%	24,117,534.288	11.48	11.22	10.91
A (Ydis) EUR	2.75%	1,608,971.684	13.07	12.43	12.36
A (Ydis) EUR-H1 (hedged)	2.75%	3,419,732.420	9.93	10.02	9.99
A (Ydis) USD	2.75%	1,634,407.769	11.48	11.22	10.91
APF (acc) EUR-H1 (hedged)*	2.10%	300,670.233	10.19	-	-
APF (Ydis) EUR-H1 (hedged)*	2.10%	79,343.019	10.20	-	-
C (acc) USD	3.33%	835,237.432	10.50	10.32	10.09
G (acc) EUR-H1 (hedged)	3.35%	339,650.790	9.87	10.00	10.03
I (acc) CHF-H1 (hedged)	1.90%	11,010,576.450	10.16	10.20	10.12
I (acc) EUR-H1 (hedged)	1.90%	45,817,518.505	11.05	11.04	10.92
I (acc) GBP-H1 (hedged)	1.90%	869,806.128	11.54	11.40	11.17
I (acc) JPY	1.90%	658.471	1,202.10	1,195.94	1,171.66
I (acc) JPY-H1 (hedged)	1.90%	11,915.621	1,111.95	1,107.05	1,089.65
I (acc) USD	1.90%	15,207,991.010	11.96	11.58	11.17
I (acc) USD-H4 (BRL) (hedged)*	1.90%	497,513.096	10.02	-	-
I PF (acc) EUR-H1 (hedged)*	1.45%	8,786,752.494	10.21	-	-
I PF (Ydis) EUR-H1 (hedged)*	1.45%	8,833.142	10.23	-	-
N (acc) EUR-H1 (hedged)	3.50%	6,964,352.009	10.24	10.40	10.45
N (acc) HUF-H1 (hedged)	3.50%	4,873,054.191	99.51	100.47	103.02
N (acc) PLN-H1 (hedged)	3.50%	4,498,587.152	10.53	10.49	10.32
N (acc) USD	3.50%	7,559,106.615	11.08	10.91	10.69

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Franklin K2 Alternative Strategies Fund – USD (continued)					
N (Ydis) EUR-H1 (hedged)	3.50%	13,782.958	9.93	10.09	10.15
S (acc) CHF-H1 (hedged)	1.79%	3,442,632.810	10.12	10.15	10.06
S (acc) EUR-H1 (hedged)	1.79%	4,996,417.526	10.19	10.17	10.06
S (acc) GBP-H1 (hedged)	1.79%	6,280,120.387	10.45	10.30	10.10
S (acc) SGD-H1 (hedged)	1.79%	13,887.987	10.66	10.39	10.10
S (acc) USD	1.79%	5,850,435.266	10.84	10.49	10.11
W (acc) CHF-H1 (hedged)	1.95%	57,547.000	10.10	10.12	10.05
W (acc) EUR	1.95%	578,156.585	13.53	12.77	12.60
W (acc) EUR-H1 (hedged)	1.95%	5,107,952.108	10.13	10.14	10.05
W (acc) GBP-H1 (hedged)	1.95%	553,876.982	11.49	11.34	11.13
W (acc) USD	1.95%	5,268,582.616	11.42	11.07	10.69
W (Ydis) EUR-H1 (hedged)	1.95%	88,880.000	9.79	9.80	-
Y (acc) CAD-H1 (hedged)	0.12%	1,630,137.095	11.92	11.45	10.91
Y (Mdis) USD	0.12%	174,497.804	11.76	11.44	11.06
Z (acc) GBP-H1 (hedged)	2.25%	11,253.750	11.38	11.27	11.09
Z (acc) USD	2.25%	1,612,214.655	11.76	11.44	11.07
Franklin K2 Global Macro Opportunities Fund – USD					
A (acc) EUR-H1 (hedged)	2.75%	145,142.060	9.19	9.15	9.55
A (acc) SGD	2.75%	216,101.563	9.58	9.33	9.60
A (acc) USD	2.75%	161,397.064	9.79	9.47	9.64
A (Mdis) USD	2.75%	168,833.648	9.79	9.47	9.64
A (Ydis) EUR	2.75%	151,932.819	9.59	9.03	9.40
A (Ydis) USD	2.75%	156,250.000	9.79	9.47	9.64
I (acc) EUR-H1 (hedged)	1.90%	140,285.500	9.42	9.30	9.61
I (acc) GBP-H1 (hedged)	1.90%	124,870.125	9.65	9.41	9.64
I (acc) JPY	1.90%	1,609,453.130	104.80	103.20	105.87
I (acc) JPY-H1 (hedged)	1.90%	1,609,453.130	95.08	93.63	96.41
I (acc) USD	1.90%	156,250.000	10.01	9.60	9.70
N (acc) EUR-H1 (hedged)	3.50%	176,569.611	9.02	9.05	9.50
N (acc) USD	3.50%	169,774.327	9.60	9.35	9.60
W (acc) EUR	1.95%	140,285.500	9.78	9.14	9.45
W (acc) GBP-H1 (hedged)	1.95%	124,870.125	9.63	9.39	9.63
W (acc) USD	1.95%	14,132.796	10.19	9.77	9.88
Z (acc) USD	2.25%	156,250.000	9.92	9.55	9.67
Franklin K2 Long Short Credit Fund – USD					
A (acc) EUR-H1 (hedged)	2.75%	70,523.334	10.00	10.04	10.14
A (acc) SGD	2.75%	511,614.000	10.21	10.01	9.96
A (acc) USD	2.75%	3,069,532.944	10.73	10.45	10.28
A (Mdis) USD	2.75%	434,041.665	10.36	10.28	10.25
A (Ydis) EUR	2.75%	361,637.449	9.89	9.51	9.60
A (Ydis) USD	2.75%	425,554.855	10.55	10.41	10.28
A PF (acc) EUR-H1 (hedged)*	2.10%	8,846.818	10.07	-	-
I (acc) EUR-H1 (hedged)	1.90%	1,714,186.195	10.23	10.19	10.20
I (acc) GBP-H1 (hedged)	1.90%	39,795.590	10.55	10.37	10.26
I (acc) USD	1.90%	589,056.525	10.96	10.58	10.33
I PF (acc) EUR-H1 (hedged)*	1.45%	8,846.818	10.09	-	-
N (acc) EUR-H1 (hedged)	3.50%	196,059.379	9.81	9.92	10.10
N (acc) USD	3.50%	450,204.740	10.52	10.32	10.24
W (acc) EUR-H1 (hedged)	1.95%	145,435.823	10.20	10.15	10.18
W (acc) GBP-H1 (hedged)	1.95%	38,508.108	10.54	10.36	10.25
W (acc) USD	1.95%	298,646.547	10.62	10.26	10.02
Z (acc) USD	2.25%	418,789.247	10.87	10.53	10.31
Franklin MENA Fund – USD					
A (acc) EUR	2.57%	2,104,647.543	6.27	5.88	5.34
A (acc) EUR-H1 (hedged)	2.58%	712,908.241	3.97	3.94	3.60
A (acc) USD	2.58%	4,513,953.859	7.18	6.92	6.14
A (Ydis) USD	2.57%	65,400.144	7.57	7.34	6.52
B (acc) USD	3.88%	324,197.094	6.20	6.05	5.45
I (acc) EUR	1.42%	934,569.133	7.14	6.61	5.94
I (acc) USD	1.43%	2,876,469.230	8.10	7.71	6.77
N (acc) EUR-H1 (hedged)	3.08%	1,642,851.472	3.76	3.75	3.45
N (acc) USD	3.07%	655,000.358	6.79	6.57	5.87
W (acc) EUR	1.41%	7,165.384	12.52	11.59	10.42
W (Qdis) USD	1.41%	500.000	13.27	12.86	11.44
X (acc) USD	0.30%	361.795	19.78	18.61	16.17
Franklin Natural Resources Fund – USD					
A (acc) EUR	1.85%	3,755,070.618	5.28	6.41	5.44
A (acc) USD	1.85%	25,952,307.469	5.99	7.48	6.20
A (Ydis) EUR-H1 (hedged)	1.85%	374,171.664	4.61	5.97	5.08
A (Ydis) USD	1.85%	321,762.977	5.99	7.48	6.21
B (acc) USD	3.16%	835,318.147	6.16	7.79	6.55
C (acc) USD	2.43%	487,850.493	5.36	6.73	5.62
F (acc) USD	2.85%	1,797,322.459	8.73	11.00	9.22

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Franklin Natural Resources Fund – USD (continued)					
I (acc) EUR	0.99%	132,551.995	5.87	7.07	5.95
I (acc) USD	0.98%	981,532.637	6.66	8.24	6.78
N (acc) EUR	2.60%	5,241,852.446	4.81	5.89	5.04
N (acc) PLN-H1 (hedged)	2.60%	12,232,468.451	6.28	8.03	6.76
Franklin NextStep Balanced Growth Fund – USD					
A (acc) HKD	1.55%	197,522.113	12.62	12.29	11.87
A (acc) RMB-H1 (hedged)	1.55%	260,437.558	10.11	9.76	
A (acc) SGD-H1 (hedged)	1.55%	155,685.546	12.30	12.04	11.78
A (acc) USD	1.55%	9,910,331.979	12.58	12.20	11.84
A (Mdis) HKD	1.56%	99,444.558	12.10	11.96	11.69
A (Mdis) SGD-H1 (hedged)	1.55%	223,150.437	11.83	11.73	11.61
A (Mdis) USD	1.55%	1,374,055.879	12.07	11.87	11.66
Franklin NextStep Conservative Fund – USD					
A (acc) PLN-H1 (hedged)	1.37%	5,634,361.442	11.42	10.99	11.01
A (acc) USD	1.37%	236,481.219	11.59	11.04	10.97
A (Mdis) USD	1.37%	45,551.521	10.96	10.64	10.76
C (acc) USD*	2.15%	345,669.168	10.31	-	-
N (acc) USD	2.25%	438,434.698	11.25	10.81	10.84
W (Mdis) EUR-H1 (hedged)	0.78%	459,247.842	9.86	9.82	10.14
W (Mdis) GBP-H1 (hedged)	0.78%	204,844.255	10.74	10.56	10.80
W (Mdis) USD	0.78%	319,150.133	10.67	10.29	10.35
Franklin NextStep Dynamic Growth Fund – USD					
A (acc) HKD	1.68%	25,528.203	13.04	12.80	12.25
A (acc) RMB-H1 (hedged)	1.68%	64,363.000	9.95	9.69	-
A (acc) SGD-H1 (hedged)	1.68%	146,538.184	12.69	12.52	12.16
A (acc) USD	1.68%	1,791,196.891	13.02	12.72	12.23
A (Mdis) HKD	1.68%	5,744.591	12.71	12.61	12.13
A (Mdis) SGD-H1 (hedged)	1.68%	55,180.968	12.30	12.26	12.01
A (Mdis) USD	1.68%	313,820.077	12.60	12.44	12.08
Franklin NextStep Growth Fund – USD					
A (acc) PLN-H1 (hedged)	1.73%	540,186.278	12.63	12.31	11.87
A (acc) USD	1.73%	953,806.354	12.84	12.39	11.83
A (Mdis) USD	1.73%	478,311.658	12.42	12.12	11.68
C (acc) USD*	2.31%	500.000	10.04	-	-
N (acc) USD	2.53%	346,305.203	12.50	12.15	11.70
W (Mdis) EUR-H1 (hedged)	0.89%	6,862.581	10.98	10.98	10.78
W (Mdis) GBP-H1 (hedged)	0.89%	233,730.724	12.22	12.07	11.76
W (Mdis) USD	0.89%	64,377.707	11.91	11.52	11.01
Franklin NextStep Moderate Fund – USD					
A (acc) PLN-H1 (hedged)	1.58%	7,844,222.942	12.38	12.00	11.67
A (acc) USD	1.58%	866,143.157	12.54	12.04	11.63
A (Mdis) USD	1.58%	303,494.563	12.04	11.71	11.45
C (acc) USD*	2.26%	341,559.380	10.14	-	-
N (acc) USD	2.38%	1,252,631.147	12.20	11.81	11.50
W (Mdis) EUR-H1 (hedged)	0.83%	365,317.545	10.73	10.69	10.64
W (Mdis) GBP-H1 (hedged)	0.83%	281,209.274	11.89	11.69	11.53
W (Mdis) USD	0.83%	618,059.429	11.58	11.18	10.85
Franklin NextStep Stable Growth Fund – USD					
A (acc) HKD	1.37%	304,563.284	11.58	11.13	11.03
A (acc) SGD-H1 (hedged)	1.37%	78,966.012	11.33	10.92	10.96
A (acc) USD	1.37%	1,133,887.927	11.55	11.05	11.00
A (Mdis) HKD	1.37%	872,451.631	10.89	10.70	10.81
A (Mdis) SGD-H1 (hedged)	1.37%	144,567.243	10.65	10.50	10.74
A (Mdis) USD	1.37%	471,478.182	10.87	10.62	10.78
Franklin Select U.S. Equity Fund – USD					
A (acc) EUR	1.82%	322,309.507	26.42	24.00	22.30
A (acc) EUR-H1 (hedged)	1.83%	298,612.834	19.57	18.89	17.60
A (acc) HKD	1.83%	1,209,158.438	19.81	18.58	16.79
A (acc) USD	1.83%	7,917,064.850	30.04	28.05	25.48
B (acc) USD	3.14%	91,623.922	23.09	21.85	20.10
C (acc) USD	2.41%	1,185,251.623	25.37	23.83	21.77
I (acc) EUR	0.97%	22,713.099	20.91	18.84	17.36
I (acc) EUR-H1 (hedged)	0.96%	29,394.959	14.47	13.79	12.73
I (acc) USD	0.98%	229,013.708	25.63	23.73	21.38
N (acc) EUR	2.58%	393,587.949	22.71	20.79	19.46
N (acc) EUR-H1 (hedged)	2.57%	125,052.685	12.92	12.56	11.80
N (acc) USD	2.58%	960,438.424	25.85	24.32	22.26
W (acc) EUR	1.00%	16,433.548	18.87	17.01	15.67
W (acc) USD*	1.00%	643,133.978	11.27	-	-
Y (Mdis) USD	0.05%	1,846,728.141	14.96	13.84	12.44
Z (acc) USD	1.34%	102,462.296	11.94	11.10	10.03

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Franklin Strategic Income Fund – USD					
A (acc) EUR	1.35%	2,794,244.103	14.13	12.93	13.32
A (acc) EUR-H1 (hedged)	1.35%	1,270,003.646	11.61	11.26	11.64
A (acc) USD	1.35%	10,172,799.710	16.03	15.08	15.18
A (Mdis) AUD-H1 (hedged)	1.35%	168,546.042	9.42	9.41	9.90
A (Mdis) EUR	1.35%	5,649,259.610	8.68	8.39	9.02
A (Mdis) EUR-H1 (hedged)	1.35%	12,929,469.385	8.04	8.24	8.89
A (Mdis) SGD-H1 (hedged)	1.35%	15,764.545	8.82	8.83	9.34
A (Mdis) USD	1.35%	11,494,607.554	9.87	9.80	10.30
A (Qdis) PLN-H1 (hedged)*	1.35%	129,385.898	10.15	-	-
B (Mdis) USD	2.89%	224,126.336	9.25	9.33	9.96
C (acc) USD	1.95%	1,782,229.164	10.47	9.91	10.04
C (Mdis) USD	1.95%	6,314,581.129	9.62	9.61	10.17
I (acc) EUR-H1 (hedged)	0.82%	1,367,316.869	11.63	11.23	11.55
I (acc) USD	0.83%	819,669.044	17.05	15.95	15.98
I (Ydis) USD	0.80%	43,540.750	9.43	9.23	9.67
N (acc) EUR-H1 (hedged)	2.08%	1,165,712.588	10.98	10.74	11.16
N (acc) USD	2.08%	7,385,649.749	12.16	11.52	11.68
N (Mdis) EUR-H1 (hedged)	2.08%	2,675,965.622	7.86	8.11	8.81
W (acc) EUR	0.87%	164,045.719	10.00	9.11	9.34
W (acc) USD	0.87%	875,565.571	10.72	10.03	10.06
W (Mdis) USD	0.87%	611,868.433	9.79	9.67	10.13
Y (Mdis) USD	0.05%	5,768,197.525	9.86	9.67	-
Z (acc) USD	1.08%	550,206.341	14.33	13.45	13.50
Franklin Technology Fund – USD					
A (acc) EUR	1.81%	23,823,856.369	19.56	16.63	13.14
A (acc) EUR-H1 (hedged)	1.81%	1,654,793.706	12.36	11.16	-
A (acc) HKD	1.82%	1,048,565.606	29.17	25.61	19.67
A (acc) SGD-H1 (hedged)	1.81%	1,382,172.801	12.21	10.80	-
A (acc) USD	1.81%	71,493,947.493	22.18	19.39	14.98
B (acc) USD	3.12%	243,373.281	17.24	15.27	11.95
C (acc) USD	2.39%	2,162,557.681	42.88	37.70	29.29
I (acc) EUR	0.91%	3,989,001.934	36.66	30.90	24.20
I (acc) USD	0.90%	5,051,529.167	30.98	26.83	20.55
I (Ydis) EUR*	0.96%	1,747,202.822	12.11	-	-
N (acc) EUR	2.56%	9,363,543.654	16.34	14.01	11.15
N (acc) PLN-H1 (hedged)*	2.50%	40,082.750	10.09	-	-
N (acc) USD	2.56%	7,863,879.848	18.56	16.34	12.72
W (acc) EUR	0.95%	623,526.314	32.33	27.26	21.36
W (acc) EUR-H1 (hedged)	0.94%	129,648.191	12.02	10.80	-
W (acc) USD	0.95%	2,558,310.887	26.25	22.75	17.43
X (acc) USD	0.15%	202.758	27.23	23.39	17.76
Z (acc) USD	1.27%	521,459.711	32.20	27.99	21.51
Franklin U.S. Dollar Short-Term Money Market Fund – USD					
A (acc) USD	0.25%	13,576,914.205	11.94	11.71	11.58
A (Mdis) USD	0.25%	9,029,285.020	9.80	9.80	9.69
B (Mdis) USD	1.33%	143,315.122	8.98	8.90	8.89
C (acc) USD	1.24%	2,613,480.158	9.92	9.83	9.81
F (Mdis) USD	1.25%	1,111,011.155	10.00	10.00	10.00
N (acc) USD	1.15%	4,434,847.987	10.50	10.39	10.36
W (acc) USD	0.20%	2,844,239.079	10.34	10.14	10.02
Franklin U.S. Government Fund – USD					
A (acc) EUR-H1 (hedged)	1.26%	238,524.186	9.50	9.35	9.70
A (acc) HKD	1.26%	391,319.163	11.78	11.30	11.37
A (acc) USD	1.27%	9,423,493.955	11.39	10.88	11.00
A (Mdis) HKD	1.28%	55,541.526	9.57	9.53	9.77
A (Mdis) USD	1.27%	41,500,398.751	8.98	8.87	9.15
AX (acc) USD	1.47%	1,417,362.047	15.91	15.23	15.43
B (acc) USD	2.52%	36,673.302	12.40	12.00	12.29
B (Mdis) USD	2.53%	275,683.929	8.90	8.89	9.17
C (acc) USD	2.05%	1,607,785.341	13.64	13.13	13.38
I (acc) EUR-H1 (hedged)	0.60%	333,741.949	10.33	10.11	10.41
I (acc) USD	0.60%	3,598,625.178	14.57	13.83	13.89
I (Mdis) JPY-H1 (hedged)	0.60%	32,241.865	857.27	867.26	911.62
I (Mdis) USD	0.60%	6,146,583.240	9.52	9.34	9.61
N (acc) USD	1.97%	2,433,388.793	14.36	13.82	14.07
N (Mdis) USD	1.97%	1,203,891.092	8.95	8.90	9.18
W (acc) USD	0.70%	2,190,369.471	10.95	10.41	10.47
W (Mdis) USD	0.70%	2,447,823.201	9.38	9.21	9.49
X (acc) USD	0.15%	500.000	11.44	10.81	10.81
Z (acc) USD	0.97%	284,714.848	12.14	11.56	11.66
Z (Mdis) USD	0.97%	10,700.159	9.49	9.35	9.63

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Franklin U.S. Low Duration Fund – USD					
A (acc) EUR	1.15%	1,000,633.052	10.97	10.35	10.60
A (acc) EUR-H1 (hedged)	1.15%	523,417.214	9.71	9.72	9.98
A (acc) USD	1.15%	9,692,538.118	11.10	10.77	10.79
A (Mdis) USD	1.15%	19,557,841.112	9.84	9.75	9.90
AX (acc) USD	1.35%	1,675,652.365	12.57	12.22	12.26
B (Mdis) USD	2.41%	648,084.704	9.55	9.38	9.51
C (acc) USD	2.04%	534,095.745	10.12	9.90	10.00
C (Mdis) USD	2.04%	2,166,237.456	9.84	9.63	9.73
I (acc) EUR-H1 (hedged)	0.63%	10,066,280.494	10.38	10.33	10.55
I (acc) USD	0.63%	2,160,672.150	13.65	13.17	13.13
N (Mdis) USD	1.85%	4,868,307.252	9.86	9.74	9.83
W (acc) USD	0.67%	678,578.190	10.39	10.03	10.00
W (Qdis) USD	0.67%	21,749.853	10.02	9.93	10.05
Y (Mdis) USD	0.05%	11,767,582.339	10.00	9.91	-
Z (acc) USD	0.85%	193,596.014	10.60	10.25	10.24
Franklin U.S. Opportunities Fund – USD					
A (acc) CHF-H1 (hedged)	1.82%	175,219.625	25.06	23.61	19.68
A (acc) EUR	1.81%	11,466,061.744	16.33	14.43	11.99
A (acc) EUR-H1 (hedged)	1.82%	14,341,167.085	11.97	11.25	9.38
A (acc) HKD	1.82%	3,893,221.922	25.20	22.98	18.58
A (acc) NOK-H1 (hedged)	1.81%	2,951,270.325	17.76	16.48	13.58
A (acc) RMB-H1 (hedged)	1.81%	18,415.650	180.22	163.07	130.11
A (acc) SEK-H1 (hedged)	1.82%	2,403,222.155	23.98	22.48	18.68
A (acc) SGD	1.81%	5,121,770.160	22.32	20.41	16.76
A (acc) SGD-H1 (hedged)	1.81%	1,730,042.319	28.01	25.69	21.05
A (acc) USD	1.82%	102,070,559.164	18.55	16.84	13.68
A (Ydis) EUR	1.82%	2,153,733.130	16.63	14.69	12.21
A (Ydis) GBP	1.82%	748,400.253	14.59	12.74	10.49
AS (acc) SGD	1.71%	4,244,897.588	14.92	13.62	11.17
B (acc) USD	3.13%	844,474.241	14.41	13.26	10.91
C (acc) USD	2.40%	6,166,892.103	29.57	27.01	22.07
F (acc) USD	2.82%	977,366.253	13.82	12.67	10.40
I (acc) EUR	0.91%	4,688,015.982	42.28	37.02	30.51
I (acc) EUR-H1 (hedged)	0.90%	2,215,886.955	30.66	28.54	23.56
I (acc) USD	0.91%	10,471,970.392	48.07	43.26	34.85
N (acc) EUR	2.56%	2,551,266.469	32.30	28.75	24.07
N (acc) EUR-H1 (hedged)	2.57%	662,298.389	21.28	20.14	16.91
N (acc) PLN-H1 (hedged)	2.57%	5,750,169.061	32.33	30.01	24.73
N (acc) USD	2.57%	6,369,533.712	36.77	33.65	27.54
S (acc) USD	0.75%	500.000	12.67	11.39	-
W (acc) EUR	0.95%	464,310.581	23.43	20.52	16.92
W (acc) EUR-H1 (hedged)	0.95%	528,016.780	13.53	12.60	10.40
W (acc) USD	0.96%	5,012,997.267	26.26	23.64	19.06
X (acc) USD	0.15%	500.000	19.49	17.41	13.91
X (Ydis) USD	0.25%	1,467,858.191	26.76	23.99	19.24
Y (Mdis) USD	0.05%	27,866.352	15.34	13.75	11.04
Z (acc) USD	1.26%	848,497.908	32.32	29.18	23.59
Franklin World Perspectives Fund – USD					
A (acc) EUR	1.89%	4,221,091.805	28.20	27.16	25.47
A (acc) USD	1.89%	2,440,349.108	23.49	23.26	21.32
I (acc) EUR	0.98%	1,976,943.189	30.99	29.58	27.48
I (acc) USD	0.98%	1,408,713.855	25.81	25.32	23.00
N (acc) EUR	2.64%	2,763,273.262	10.41	10.10	-
N (acc) USD	2.64%	1,904,466.764	21.68	21.62	19.97
W (acc) GBP	1.00%	4,819.711	22.70	21.42	19.73
Z (acc) USD	1.27%	17,034.667	12.81	12.61	11.49
Franklin Mutual European Fund – EUR					
A (acc) CZK-H1 (hedged)	1.82%	2,599,313.266	145.88	146.61	150.39
A (acc) EUR	1.84%	15,006,621.681	23.85	24.31	24.79
A (acc) RMB-H1 (hedged)	1.82%	6,435.005	128.32	126.17	123.60
A (acc) SEK	1.84%	5,086,862.572	16.25	16.41	15.39
A (acc) USD	1.84%	6,196,450.666	27.11	28.39	28.31
A (acc) USD-H1 (hedged)	1.82%	1,820,782.176	11.23	11.06	11.00
A (Ydis) EUR	1.84%	1,024,628.212	20.01	20.67	21.24
A (Ydis) GBP	1.84%	89,792.965	18.05	18.43	18.77
B (acc) USD	3.15%	157,952.040	21.17	22.46	22.69
B (Ydis) EUR	3.15%	6,914.362	18.39	18.99	19.62
C (acc) EUR	2.42%	6,178.348	21.13	21.66	22.21
C (acc) USD	2.42%	390,158.018	24.02	25.31	25.38
I (acc) EUR	0.96%	6,689,116.227	22.66	22.89	23.14
I (Ydis) EUR	0.99%	3,900.000	17.57	18.15	18.64
N (acc) EUR	2.57%	3,344,897.919	19.37	19.88	20.42
N (acc) USD	2.59%	365,099.474	21.91	23.12	23.22

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Franklin Mutual European Fund – EUR (continued)					
N (acc) USD-H1 (hedged)	2.56%	435,403.726	11.21	11.12	11.15
W (acc) EUR	1.00%	295,518.784	13.42	13.56	13.72
W (acc) USD	1.00%	100,837.160	9.75	10.13	10.01
W (acc) USD-H1 (hedged)	1.00%	21,546.473	10.18	9.95	9.82
W (Ydis) EUR	1.00%	20,098.462	10.75	11.10	11.41
X (acc) EUR	0.15%	362.897	11.91	11.94	11.97
Y (Mdis) EUR	0.06%	852,130.497	10.44	10.83	11.18
Z (acc) EUR	1.34%	19,052.433	14.91	15.12	15.34
Z (acc) USD	1.34%	2,701,373.109	13.96	14.55	14.44
Z (acc) USD-H1 (hedged)	1.33%	726,135.153	11.86	11.63	11.51
Franklin Mutual Global Discovery Fund – USD					
A (acc) EUR	1.84%	6,834,087.154	20.89	20.03	20.62
A (acc) EUR-H2 (hedged)	1.84%	1,381,322.758	13.63	13.61	14.03
A (acc) USD	1.84%	7,872,868.866	19.63	19.35	19.47
A (Ydis) EUR	1.84%	1,209,460.862	28.13	27.25	28.16
A (Ydis) GBP	1.84%	80,479.728	25.38	24.30	24.90
B (acc) USD	3.14%	53,554.347	16.44	16.41	16.74
C (acc) USD	2.42%	1,158,895.005	18.12	17.96	18.18
I (acc) EUR	0.97%	307,912.814	23.56	22.39	22.86
I (acc) EUR-H2 (hedged)	0.97%	2,697,134.512	19.77	19.56	20.00
I (acc) USD	0.98%	2,198,503.729	22.13	21.62	21.58
N (acc) EUR	2.58%	2,255,615.141	18.82	18.18	18.85
N (acc) EUR-H2 (hedged)	2.59%	983,672.518	12.68	12.76	13.28
N (acc) USD	2.59%	1,188,661.621	17.71	17.58	17.83
W (acc) EUR	1.03%	90,052.272	14.15	13.46	13.75
W (acc) EUR-H1 (hedged)	1.03%	944,697.125	8.92	9.03	-
W (acc) USD	1.03%	196,598.171	10.28	10.05	10.04
Z (acc) USD	1.34%	385,515.751	17.21	16.88	16.90
Franklin Mutual U.S. Value Fund – USD					
A (acc) EUR	1.83%	231,771.570	73.48	68.92	70.07
A (acc) EUR-H1 (hedged)	1.84%	48,887.721	52.79	52.47	53.49
A (acc) SGD	1.83%	297,533.321	13.49	13.09	13.15
A (acc) USD	1.83%	2,301,473.709	83.43	80.43	79.95
A (Ydis) USD	1.84%	80,717.708	78.86	76.27	75.81
B (acc) USD	3.14%	25,640.114	35.99	35.15	35.40
C (acc) USD	2.41%	1,080,352.355	23.14	22.44	22.43
I (acc) EUR	0.98%	124,205.257	20.94	19.48	19.64
I (acc) EUR-H1 (hedged)	1.04%	6,010.151	15.06	14.85	15.00
I (acc) USD	0.97%	2,528,352.937	23.82	22.77	22.44
N (acc) EUR	2.57%	599,328.292	35.39	33.44	34.25
N (acc) EUR-H1 (hedged)	2.59%	133,838.900	25.66	25.71	26.43
N (acc) USD	2.58%	855,609.950	40.26	39.10	39.16
W (acc) USD	1.03%	1,177,178.865	10.91	10.43	10.29
Z (acc) USD	1.34%	393,565.801	20.62	19.78	19.56
Templeton Africa Fund – USD ^Ω					
A (acc) EUR	-	-	-	9.95	9.40
A (acc) EUR-H1 (hedged)	-	-	-	8.25	7.85
A (acc) GBP	-	-	-	10.88	10.18
A (acc) SGD	-	-	-	9.72	9.07
A (acc) USD	-	-	-	8.88	8.20
A (Ydis) EUR	-	-	-	9.25	8.84
A (Ydis) EUR-H1 (hedged)	-	-	-	7.68	7.39
I (acc) EUR	-	-	-	10.58	9.89
I (acc) USD	-	-	-	9.44	8.64
N (acc) EUR-H1 (hedged)	-	-	-	8.01	7.65
W (acc) EUR	-	-	-	8.60	8.05
W (acc) GBP	-	-	-	11.27	10.46
Templeton Asian Bond Fund – USD					
A (acc) CHF-H1 (hedged)	1.42%	945,246.142	9.74	9.74	10.16
A (acc) EUR	1.42%	2,234,280.105	19.12	17.99	18.64
A (acc) EUR-H1 (hedged)	1.42%	1,559,029.590	11.78	11.74	12.21
A (acc) USD	1.42%	7,234,908.419	17.97	17.38	17.61
A (Mdis) AUD-H1 (hedged)	1.42%	137,915.524	7.93	8.17	8.72
A (Mdis) EUR	1.42%	2,012,449.542	9.44	9.39	10.27
A (Mdis) SGD	1.40%	124,896.990	8.13	8.37	9.04
A (Mdis) SGD-H1 (hedged)	1.42%	4,867,246.218	7.59	7.83	8.43
A (Mdis) USD	1.42%	5,885,457.433	10.70	10.95	11.70
B (Mdis) USD	2.93%	174,726.766	10.04	10.43	11.31
C (Mdis) USD	2.20%	523,849.287	10.35	10.67	11.49
I (acc) CHF-H1 (hedged)	0.86%	777,000.000	10.27	10.22	10.59
I (acc) EUR	0.87%	595,779.638	17.02	15.93	16.42
I (acc) EUR-H1 (hedged)	0.89%	52,709.575	11.28	11.14	11.44
I (acc) USD	0.87%	843,837.491	19.37	18.63	18.78

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Templeton Asian Bond Fund – USD (continued)					
I (Mdis) EUR	0.87%	292,731.506	10.04	9.94	10.80
I (Ydis) EUR-H1 (hedged)	0.85%	11,095.444	7.72	8.12	8.89
N (acc) EUR	2.12%	522,984.372	17.37	16.46	17.18
N (acc) USD	2.12%	700,340.106	16.33	15.90	16.23
N (Mdis) USD	2.12%	847,569.896	10.39	10.71	11.52
W (acc) EUR	0.90%	7,166.376	9.75	9.13	9.42
W (acc) EUR-H1 (hedged)	0.90%	219,076.509	10.02	9.94	10.29
W (Mdis) USD	0.90%	210,467.776	8.13	8.28	8.81
Y (Mdis) USD	0.08%	1,523,710.242	9.42	9.51	10.03
Z (acc) USD	1.12%	270,122.671	12.06	11.62	11.74
Templeton Asian Growth Fund – USD					
A (acc) CHF-H1 (hedged)	2.21%	712,607.176	11.41	12.00	12.07
A (acc) CZK-H1 (hedged)	2.21%	1,796,183.021	101.78	105.00	106.02
A (acc) EUR	2.20%	9,147,720.885	31.37	30.88	30.90
A (acc) EUR-H1 (hedged)	2.21%	3,064,769.349	22.31	23.36	23.49
A (acc) HKD	2.21%	23,258,263.966	10.76	10.93	10.64
A (acc) RMB-H1 (hedged)	2.21%	103,647.014	133.84	135.26	130.44
A (acc) SGD	2.21%	5,790,010.163	9.18	9.35	9.24
A (acc) SGD-H1 (hedged)	2.21%	50,024.571	11.97	12.24	12.11
A (acc) USD	2.21%	27,813,641.607	35.73	36.14	35.36
A (Ydis) EUR	2.21%	2,966,952.853	28.56	28.19	28.29
A (Ydis) GBP	2.21%	291,580.722	25.57	24.95	24.82
A (Ydis) USD	2.21%	29,864,898.742	32.45	32.92	32.30
B (acc) USD	3.52%	375,485.828	14.34	14.69	14.57
C (acc) USD	2.79%	912,012.075	29.64	30.16	29.68
I (acc) CHF-H1 (hedged)	1.22%	87,430.000	10.11	10.53	10.49
I (acc) EUR	1.19%	1,566,102.328	33.41	32.55	32.25
I (acc) EUR-H1 (hedged)	1.21%	222,250.173	20.58	21.31	21.26
I (acc) USD	1.20%	4,660,371.315	37.98	38.03	36.84
I (Ydis) EUR-H2 (hedged)	1.21%	5,053,341.584	5.91	6.31	6.81
N (acc) EUR	2.71%	945,920.877	42.09	41.63	41.87
N (acc) EUR-H1 (hedged)	2.71%	920,745.238	29.80	31.36	31.73
N (acc) HUF	2.71%	1,797,297.466	152.30	153.46	144.83
N (acc) PLN-H1 (hedged)	2.72%	4,371,735.694	13.86	14.29	14.18
N (acc) USD	2.71%	2,266,613.272	47.84	48.63	47.83
W (acc) EUR	1.25%	300,459.386	12.23	11.92	11.83
W (acc) EUR-H1 (hedged)	1.25%	9,057.273	9.87	10.22	10.22
W (acc) GBP	1.25%	79,726.122	15.24	14.68	14.43
W (acc) USD	1.25%	1,782,567.591	12.43	12.45	12.08
W (Ydis) EUR	1.25%	2,625.047	12.58	12.43	12.45
Y (Mdis) USD	0.09%	450.450	10.55	10.64	10.43
Z (acc) USD	1.71%	234,081.095	14.11	14.20	13.83
Z (Ydis) EUR-H1 (hedged)	1.71%	28,768.792	10.75	11.29	11.38
Z (Ydis) USD	1.71%	62,952.890	10.19	10.35	10.15
Templeton Asian Smaller Companies Fund – USD					
A (acc) EUR	2.24%	4,285,305.553	57.95	56.48	54.25
A (acc) SGD	2.23%	125,281.447	44.67	45.04	42.74
A (acc) USD	2.23%	5,555,037.678	48.28	48.35	45.41
A (Ydis) USD	2.23%	1,944,096.914	47.30	47.38	44.50
B (acc) USD	3.55%	51,542.411	43.55	44.20	42.05
F (acc) USD	3.24%	1,956,659.012	10.77	10.89	10.33
I (acc) EUR	1.20%	2,353,003.308	64.73	62.44	59.36
I (acc) USD	1.20%	7,903,332.431	53.95	53.47	49.71
I (Ydis) USD	1.19%	5,560,445.400	11.30	11.24	10.47
N (acc) EUR	2.73%	1,486,115.496	21.82	21.37	20.63
N (acc) USD	2.73%	1,352,617.393	17.47	17.58	16.59
W (acc) EUR	1.22%	2,428,514.404	18.01	17.37	16.52
W (acc) USD	1.22%	2,017,108.576	14.92	14.79	13.76
W (Ydis) EUR-H1 (hedged)	1.22%	169,426.108	8.86	9.07	-
W (Ydis) USD	1.22%	4,658,858.466	9.96	9.89	-
X (Ydis) USD	0.31%	2,794,908.776	13.90	13.83	12.97
Y (Mdis) USD	0.09%	916,205.192	14.64	14.66	13.69
Templeton BRIC Fund – USD					
A (acc) EUR	2.46%	3,842,254.040	19.82	18.58	16.37
A (acc) EUR-H1 (hedged)	2.47%	1,049,039.203	11.18	11.15	9.88
A (acc) HKD	2.45%	132,068.342	10.23	9.89	8.47
A (acc) USD	2.46%	27,767,495.769	18.62	17.94	15.46
B (acc) USD	3.77%	46,598.321	15.62	15.24	13.31
C (acc) USD	3.04%	409,691.485	17.19	16.66	14.44
I (acc) USD	1.42%	41,294.976	21.56	20.55	17.53
N (acc) EUR	2.95%	1,249,202.833	18.52	17.44	15.45
N (acc) USD	2.96%	624,247.711	17.39	16.84	14.58

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Templeton China Fund – USD					
A (acc) HKD	2.45%	365,556.192	13.22	13.76	11.64
A (acc) SGD	2.45%	789,357.256	9.66	10.08	8.66
A (acc) USD	2.45%	11,980,697.188	28.99	30.04	25.55
A (Ydis) EUR	2.44%	560,089.343	24.63	24.84	21.61
A (Ydis) GBP	2.45%	41,124.731	21.90	21.82	18.82
B (acc) USD	3.76%	328,992.654	12.01	12.61	10.87
C (acc) USD	3.03%	343,913.064	20.04	20.88	17.86
I (acc) USD	1.37%	236,041.274	36.46	37.38	31.46
I (Ydis) GBP	1.44%	3,320.587	13.94	13.76	11.75
N (acc) USD	2.95%	747,295.395	27.92	29.08	24.86
W (acc) EUR	1.40%	33,865.607	15.04	15.01	12.93
W (acc) GBP	1.40%	58,110.082	17.71	17.47	14.92
W (acc) USD	1.40%	96,540.116	13.09	13.42	11.30
W (Ydis) EUR	1.40%	52,603.570	13.97	14.13	12.24
X (acc) HKD	0.27%	2,442,710.551	13.91	14.16	11.73
Z (acc) USD	1.96%	58,658.029	12.06	12.43	10.54
Templeton Eastern Europe Fund – EUR					
A (acc) EUR	2.54%	7,070,204.244	24.38	22.35	22.80
A (acc) USD	2.54%	1,902,305.405	27.70	26.11	26.03
A (Ydis) EUR	2.54%	60,277.029	24.10	22.10	22.54
B (acc) USD	3.85%	151,492.058	5.89	5.62	5.68
B (Ydis) EUR	3.85%	9,820.746	5.18	4.81	4.97
I (acc) EUR	1.40%	717,787.045	18.55	16.82	16.97
N (acc) EUR	3.04%	504,993.622	22.03	20.30	20.81
W (acc) EUR	1.52%	197,728.964	11.58	10.51	10.62
X (acc) EUR	0.30%	321,643.083	10.13	9.08	9.06
Templeton Emerging Markets Fund – USD					
A (acc) EUR-H1 (hedged)	2.00%	1,082,717.946	9.35	9.43	9.12
A (acc) HKD	2.00%	213,427.267	12.01	11.76	11.00
A (acc) SGD	2.00%	2,030,600.417	8.68	8.52	8.09
A (acc) USD	2.00%	6,137,426.825	41.23	40.19	37.79
A (Ydis) USD	2.00%	5,390,331.857	39.38	38.37	36.07
B (acc) USD	3.31%	41,470.788	18.51	18.29	17.42
C (acc) USD	2.58%	659,180.139	34.04	33.38	31.56
I (acc) EUR-H1 (hedged)	1.15%	728,236.086	10.08	10.10	9.72
I (acc) USD	1.15%	11,272,955.840	28.38	27.43	25.53
N (acc) EUR	2.50%	947,756.104	19.05	18.16	17.55
N (acc) USD	2.50%	3,524,878.348	21.64	21.20	20.03
W (acc) USD	1.25%	872,626.088	12.37	11.97	11.15
W (Ydis) EUR-H1 (hedged)	1.25%	14,381.480	8.36	8.41	-
Z (acc) USD	1.50%	654,557.055	11.56	11.22	10.49
Templeton Emerging Markets Balanced Fund – USD					
A (acc) EUR	2.11%	2,025,130.330	13.25	12.41	12.41
A (acc) EUR-H1 (hedged)	2.11%	1,171,315.856	9.20	9.15	9.23
A (acc) USD	2.11%	1,622,485.901	10.17	9.79	9.58
A (Mdis) HKD	2.11%	14,362.613	8.89	9.15	-
A (Mdis) SGD-H1 (hedged)	2.11%	14,239.492	9.12	9.42	-
A (Mdis) USD	2.11%	500.000	8.93	9.15	-
A (Qdis) USD	2.11%	1,295,071.507	7.97	8.16	8.29
A (Ydis) EUR	2.11%	1,265,450.621	10.81	10.63	10.88
A (Ydis) EUR-H1 (hedged)	2.11%	611,616.123	7.43	7.77	8.02
C (acc) USD	2.78%	1,276,324.267	9.74	9.44	9.29
I (acc) EUR	1.23%	869,173.074	14.21	13.19	13.08
I (acc) EUR-H1 (hedged)	1.21%	8,141.334	9.32	9.19	-
N (acc) EUR-H1 (hedged)	2.55%	1,847,147.182	8.86	8.85	8.96
N (acc) USD	2.55%	1,941,871.065	9.81	9.49	9.32
X (acc) USD	0.30%	16,734.801	11.76	11.11	10.67
Z (acc) USD	1.70%	180,210.803	10.44	10.00	9.75
Templeton Emerging Markets Bond Fund – USD					
A (acc) CHF-H1 (hedged)	1.90%	353,165.031	11.87	11.69	12.62
A (acc) EUR-H1 (hedged)	1.90%	2,131,241.528	10.72	10.52	11.35
A (acc) NOK-H1 (hedged)	1.90%	514,687.150	12.68	12.27	13.05
A (acc) SEK-H1 (hedged)	1.90%	3,119,127.331	11.79	11.57	12.47
A (acc) USD	1.89%	17,460,076.191	14.01	13.35	13.98
A (Mdis) AUD-H1 (hedged)	1.90%	98,702,100.051	6.61	7.06	8.13
A (Mdis) HKD	1.89%	298,852,431.522	6.88	7.33	8.40
A (Mdis) SGD-H1 (hedged)	1.89%	7,212,763.316	6.11	6.54	7.60
A (Mdis) USD	1.89%	654,375,796.963	7.51	7.97	9.18
A (Mdis) ZAR-H1 (hedged)	1.89%	5,886,720.005	89.27	91.10	99.62
A (Qdis) EUR	1.89%	34,414,605.064	11.58	11.96	14.08
A (Qdis) GBP	1.89%	2,016,754.903	8.93	9.11	10.64
A (Qdis) USD	1.89%	74,628,205.223	13.08	13.88	15.98
A (Ydis) EUR-H1 (hedged)	1.90%	10,457,315.216	6.48	7.10	8.35

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Templeton Emerging Markets Bond Fund – USD (continued)					
B (Mdis) USD	3.20%	11,823,045.534	7.11	7.65	8.93
B (Qdis) USD	3.20%	1,972,503.211	11.23	12.08	14.08
C (acc) USD	2.47%	2,647,852.349	28.69	27.48	28.95
F (Mdis) USD	2.89%	230,851,150.710	7.91	8.48	9.86
I (acc) CHF-H1 (hedged)	0.97%	63,300.000	11.20	10.93	11.68
I (acc) EUR-H1 (hedged)	0.97%	9,192,083.654	13.00	12.63	13.51
I (acc) SEK-H1 (hedged)	0.93%	177,766,069.000	10.23	9.93	
I (acc) USD	0.96%	26,793,853.350	27.76	26.19	27.19
I (Qdis) GBP-H1 (hedged)	0.96%	4,530,330.477	6.82	7.30	8.47
I (Qdis) USD	0.96%	16,508,861.346	10.61	11.16	12.73
I (Ydis) EUR-H1 (hedged)	0.97%	4,629,656.799	6.71	7.28	8.48
N (acc) USD	2.39%	2,511,660.836	34.87	33.37	35.13
N (Mdis) USD	2.38%	11,221,838.992	6.78	7.23	8.36
N (Qdis) PLN-H1 (hedged)	2.39%	17,147,027.951	7.55	8.14	9.50
S (acc) USD	0.78%	500.000	11.77	11.10	11.52
W (acc) EUR-H1 (hedged)	0.98%	138,875.822	10.19	9.91	10.60
W (acc) USD	0.98%	1,641,472.707	11.22	10.58	10.99
W (Qdis) EUR	0.98%	1,386,451.307	8.36	8.56	9.99
W (Qdis) GBP	0.98%	133,239.349	8.24	8.33	9.65
W (Qdis) GBP-H1 (hedged)	0.98%	2,728,986.053	7.06	7.56	8.78
W (Qdis) USD	0.98%	5,128,505.695	6.53	6.87	7.84
W (Ydis) EUR-H1 (hedged)	0.98%	56,809.799	8.88	9.06	-
Y (acc) USD	0.11%	500.000	9.78	9.15	-
Y (Mdis) USD	0.10%	5,198,414.046	8.46	8.82	9.97
Z (acc) USD	1.32%	1,006,154.282	14.44	13.67	14.25
Z (Mdis) USD	1.32%	1,048,337.003	6.67	7.04	8.06
Templeton Emerging Markets Local Currency Bond Fund – USD					
A (acc) USD	1.80%	114,936.984	9.61	9.06	-
A (Mdis) EUR-H1 (hedged)	1.80%	17,163.684	7.98	8.67	-
A (Ydis) EUR	1.80%	73,623.898	10.01	9.56	-
C (acc) USD	2.38%	90,000.000	9.53	9.04	-
I (acc) EUR	0.94%	450,556.952	10.55	9.59	-
I (acc) EUR-H1 (hedged)	0.91%	9,650.154	9.32	8.98	-
I (acc) NOK-H1 (hedged)	0.93%	81,430.000	10.45	9.93	-
I (acc) SEK-H1 (hedged)	0.92%	5,294,530.500	9.34	9.00	-
I (acc) USD	0.92%	1,217,895.267	9.72	9.09	-
I (Qdis) USD	0.92%	90,000.000	8.59	8.98	-
I (Ydis) EUR	0.92%	72,960.156	10.13	9.59	-
I (Ydis) EUR-H1 (hedged)	0.93%	8,106.684	8.93	8.98	-
N (acc) USD	2.30%	92,176.508	9.54	9.04	-
N (Qdis) EUR-H1 (hedged)	2.30%	8,106.684	8.07	8.84	-
W (acc) EUR-H1 (hedged)	0.97%	8,106.684	9.31	8.98	-
W (acc) GBP-H1 (hedged)	0.97%	7,147.707	9.46	9.01	-
W (acc) USD	0.97%	90,000.000	9.72	9.08	-
W (Qdis) EUR-H1 (hedged)	0.97%	8,106.684	8.21	8.88	-
W (Qdis) GBP-H1 (hedged)	0.97%	7,147.707	8.35	8.90	-
W (Qdis) USD	0.97%	90,000.000	8.58	8.98	-
Y (acc) SEK-H1 (hedged)	0.11%	80,999.500	9.44	9.03	-
Templeton Emerging Markets Smaller Companies Fund – USD					
A (acc) EUR	2.49%	6,030,506.113	14.75	14.69	14.62
A (acc) EUR-H1 (hedged)	2.50%	626,221.788	9.18	9.71	-
A (acc) USD	2.49%	9,672,926.443	11.73	12.01	11.68
A (Ydis) GBP	2.49%	257,747.399	18.07	17.80	17.55
A (Ydis) USD	2.49%	1,589,947.874	11.23	11.50	11.18
C (acc) USD	3.07%	1,005,460.247	12.19	12.55	12.28
I (acc) EUR	1.42%	15,093,050.914	16.73	16.49	16.22
I (acc) USD	1.42%	16,638,637.848	13.30	13.47	12.97
N (acc) USD	2.99%	2,932,183.806	11.07	11.39	11.14
W (acc) EUR	1.49%	2,030,073.946	9.87	9.73	-
W (acc) GBP	1.49%	1,630,084.019	21.39	20.85	20.37
W (acc) USD	1.49%	1,865,385.461	14.21	14.41	13.88
W (Ydis) EUR-H1 (hedged)	1.49%	8,050.882	8.41	8.84	-
Y (Mdis) USD	0.11%	451,244.113	11.18	11.41	11.01
Y (Ydis) JPY	0.09%	6,343,274.357	980.36	1,020.92	-
Templeton Euroland Fund – EUR					
A (acc) EUR	1.84%	7,316,122.821	22.43	23.58	23.79
A (acc) SGD*	1.84%	822,132.953	9.01	-	-
A (acc) USD*	1.84%	1,951,638.356	9.10	-	-
A (acc) USD-H1 (hedged)	1.84%	38,917.763	9.73	9.90	-
A (Ydis) EUR	1.84%	2,139,354.298	18.49	19.58	19.94
A (Ydis) USD*	1.84%	4,091,873.928	9.10	-	-
B (acc) USD	3.15%	36,868.512	9.71	10.63	10.62
B (Ydis) EUR	3.16%	23,902.576	8.14	8.67	8.86

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Templeton Euroland Fund – EUR (continued)					
C (acc) USD-H1 (hedged)*	2.40%	9,988.875	9.56	-	-
I (acc) EUR	0.93%	6,238,920.042	21.47	22.36	22.36
N (acc) EUR	2.59%	2,821,412.198	12.88	13.64	13.86
N (acc) USD-H1 (hedged)*	2.57%	9,988.875	9.54	-	-
W (acc) EUR	0.99%	1,207,847.613	9.77	10.18	10.19
W (acc) USD*	0.90%	497.570	10.19	-	-
W (acc) USD-H1 (hedged)*	0.90%	9,951.400	10.04	-	-
X (acc) EUR	0.15%	357,646.884	14.35	14.84	14.72
Templeton European Fund – EUR^Ω					
A (acc) EUR	-	-	-	23.69	23.59
A (acc) SGD	-	-	-	9.08	8.93
A (acc) USD	-	-	-	27.64	26.91
A (Ydis) USD	-	-	-	22.55	22.16
I (acc) EUR	-	-	-	21.05	20.78
N (acc) EUR	-	-	-	21.05	21.12
W (acc) EUR	-	-	-	11.91	11.76
Z (acc) EUR	-	-	-	11.77	11.66
Templeton Frontier Markets Fund – USD					
A (acc) EUR	2.56%	6,041,524.734	22.05	21.83	23.82
A (acc) EUR-H1 (hedged)	2.57%	2,367,014.295	10.15	10.65	11.71
A (acc) SGD	2.56%	122,166.447	17.01	17.42	18.78
A (acc) USD	2.56%	5,723,522.711	18.37	18.69	19.94
A (Ydis) GBP	2.55%	161,959.022	22.84	22.50	24.52
A (Ydis) USD	2.55%	786,006.604	16.57	17.00	18.27
B (acc) USD	3.81%	1,709.484	15.12	15.57	16.83
C (acc) USD	3.13%	29,789.268	16.33	16.71	17.92
I (acc) EUR	1.47%	4,542,825.068	24.75	24.23	26.16
I (acc) USD	1.47%	3,025,648.918	20.62	20.75	21.89
I (Ydis) GBP	1.48%	88,087.742	23.21	22.92	24.96
N (acc) EUR	3.05%	996,061.633	20.91	20.80	22.80
N (acc) EUR-H1 (hedged)	3.07%	2,763,593.277	15.13	15.96	17.62
N (acc) PLN-H1 (hedged)	3.04%	1,843,672.932	11.76	12.15	13.19
W (acc) EUR	1.56%	889,640.984	12.50	12.25	13.24
W (acc) GBP	1.57%	730,197.035	16.34	15.83	16.96
W (acc) USD	1.55%	857,396.859	13.83	13.93	14.72
X (acc) USD	0.30%	500.000	14.00	13.93	14.53
Z (acc) GBP	2.05%	11,924.352	15.91	15.48	16.66
Z (Ydis) EUR-H1 (hedged)	2.05%	35,506.709	9.32	9.84	10.89
Templeton Global Fund – USD					
A (acc) HKD	1.83%	485,040.622	16.18	17.56	16.63
A (acc) SGD	1.83%	1,664,252.417	10.05	10.94	10.52
A (acc) USD	1.83%	3,916,785.304	39.54	42.72	40.66
A (Ydis) USD	1.83%	15,484,250.699	35.09	38.03	36.29
AS (acc) SGD	1.73%	2,301,044.150	10.37	11.27	10.83
B (acc) USD	3.15%	119,003.234	22.35	24.47	23.60
C (acc) USD	2.41%	392,084.514	22.08	24.00	22.97
I (acc) USD	0.92%	6,199,452.860	23.51	25.16	23.75
N (acc) USD	2.58%	750,505.268	24.82	27.02	25.92
W (Ydis) USD	0.97%	45,997.181	11.22	12.15	11.59
X (Ydis) USD	0.26%	1,168,256.515	9.81	10.64	10.14
Z (acc) USD	1.26%	80,070.985	10.65	11.44	10.83
Templeton Global Balanced Fund – USD					
A (acc) EUR	1.66%	1,763,980.300	26.47	25.86	25.75
A (acc) EUR-H1 (hedged)	1.66%	446,071.355	18.80	19.48	19.48
A (acc) SGD	1.66%	1,643,132.088	11.57	11.70	11.51
A (acc) USD	1.66%	5,018,590.774	30.08	30.20	29.40
A (Qdis) USD	1.66%	9,506,077.955	22.12	23.00	23.09
AS (acc) SGD	1.55%	32,554,948.633	10.98	11.09	10.90
B (acc) USD	2.97%	296,571.799	18.11	18.42	18.17
C (Qdis) USD	2.24%	1,001,135.361	12.70	13.28	13.41
I (Ydis) USD	0.87%	2,151,106.335	12.80	13.17	13.09
N (acc) EUR	2.16%	2,345,625.052	18.34	18.01	18.02
N (acc) EUR-H1 (hedged)	2.16%	819,498.803	9.62	10.03	10.08
W (acc) EUR	0.88%	6,150.000	10.05	9.74	9.63
W (acc) GBP-H1 (hedged)	0.88%	52,544.736	10.18	10.34	10.17
W (acc) USD	0.88%	970,457.690	11.32	11.28	10.90
X (Ydis) USD	0.27%	547,880.522	9.99	10.22	10.09
Z (acc) USD	1.15%	435,362.857	10.53	10.52	10.18
Templeton Global Bond Fund – USD					
A (acc) CHF-H1 (hedged)	1.40%	3,593,246.631	12.40	12.07	12.69
A (acc) CZK-H1 (hedged)	1.40%	23,607,999.870	109.71	104.92	110.50
A (acc) EUR	1.40%	41,175,843.621	26.95	24.70	25.83
A (acc) EUR-H1 (hedged)	1.40%	34,953,295.698	20.62	20.03	21.01

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Templeton Global Bond Fund – USD (continued)					
A (acc) HKD	1.40%	817,283.776	13.66	12.93	13.15
A (acc) NOK-H1 (hedged)	1.41%	1,935,814.309	14.05	13.43	13.90
A (acc) SEK-H1 (hedged)	1.41%	6,682,510.072	12.91	12.53	13.13
A (acc) USD	1.40%	47,237,701.017	30.64	28.86	29.50
A (Mdis) AUD-H1 (hedged)	1.40%	6,748,386.516	9.99	10.16	11.08
A (Mdis) CAD-H1 (hedged)	1.40%	639,225.663	8.91	9.10	10.01
A (Mdis) EUR	1.40%	33,402,056.777	15.04	14.81	16.55
A (Mdis) EUR-H1 (hedged)	1.40%	32,446,179.038	10.25	10.69	11.97
A (Mdis) GBP	1.40%	2,168,036.147	13.49	13.12	14.53
A (Mdis) GBP-H1 (hedged)	1.40%	3,292,439.237	8.49	8.75	9.72
A (Mdis) HKD	1.40%	82,486,920.921	9.34	9.48	10.31
A (Mdis) RMB-H1 (hedged)	1.41%	70,639.962	100.16	100.68	108.03
A (Mdis) SGD	1.40%	8,427,318.883	10.01	10.20	11.25
A (Mdis) SGD-H1 (hedged)	1.40%	16,980,212.109	10.44	10.65	11.70
A (Mdis) USD	1.40%	164,916,884.130	17.09	17.29	18.88
A (Ydis) CHF-H1 (hedged)	1.40%	1,100,444.720	8.62	9.02	10.06
A (Ydis) EUR	1.40%	56,420,575.533	16.07	15.79	17.52
A (Ydis) EUR-H1 (hedged)	1.40%	63,002,509.828	8.59	8.96	9.96
AX (acc) USD	1.60%	8,060,451.587	22.95	21.67	22.19
B (Mdis) USD	2.91%	1,404,438.779	16.73	17.19	19.06
C (acc) USD	2.18%	2,220,402.737	10.02	9.51	9.80
C (Mdis) USD	2.18%	20,330,958.062	12.70	12.95	14.25
F (Mdis) USD	2.39%	12,875,747.039	8.76	8.95	9.88
I (acc) CHF-H1 (hedged)	0.86%	9,055,457.445	12.29	11.90	12.41
I (acc) EUR	0.85%	11,489,322.086	22.70	20.70	21.52
I (acc) EUR-H1 (hedged)	0.85%	20,981,769.519	17.68	17.06	17.76
I (acc) NOK-H1 (hedged)	0.86%	161,204,916.809	10.91	10.37	10.69
I (acc) USD	0.86%	38,069,740.920	25.97	24.34	24.74
I (Mdis) EUR	0.86%	1,423,701.675	12.87	12.60	14.00
I (Mdis) GBP	0.86%	4,124,524.271	12.87	12.46	13.72
I (Mdis) GBP-H1 (hedged)	0.86%	11,134,330.162	9.54	9.77	10.81
I (Mdis) JPY	0.85%	4,405,819.396	1,136.49	1,174.01	1,295.39
I (Mdis) JPY-H1 (hedged)	0.84%	5,919,461.451	837.99	865.77	958.02
I (Ydis) EUR	0.86%	6,477,097.390	14.39	14.06	15.51
I (Ydis) EUR-H1 (hedged)	0.86%	22,445,263.676	8.87	9.20	10.16
N (acc) EUR	2.10%	7,706,117.900	25.56	23.59	24.84
N (acc) EUR-H1 (hedged)	2.11%	15,489,013.941	19.63	19.19	20.25
N (acc) HUF	2.10%	3,336,487.638	157.16	147.79	146.00
N (acc) PLN-H1 (hedged)	2.10%	6,593,608.976	14.55	13.95	14.42
N (acc) USD	2.10%	11,052,841.166	29.05	27.56	28.38
N (Mdis) EUR-H1 (hedged)	2.11%	27,489,816.048	11.62	12.21	13.77
N (Mdis) USD	2.10%	7,783,060.527	8.89	9.06	9.96
N (Ydis) EUR-H1 (hedged)	2.11%	8,153,226.420	8.40	8.84	9.87
S (acc) USD	0.54%	22,080.000	11.28	10.56	10.72
S (Mdis) EUR	0.54%	422.244	8.77	8.58	9.53
W (acc) CHF-H1 (hedged)	0.90%	2,540,570.991	9.96	9.64	10.06
W (acc) EUR	0.91%	1,897,147.906	12.67	11.56	12.03
W (acc) EUR-H1 (hedged)	0.90%	7,313,480.195	11.51	11.11	11.60
W (acc) USD	0.90%	11,790,316.161	12.40	11.63	11.83
W (Mdis) EUR	0.90%	978,158.793	9.97	9.77	10.86
W (Mdis) GBP	0.90%	2,821,529.446	11.26	10.90	12.01
W (Mdis) GBP-H1 (hedged)	0.91%	4,379,874.691	9.01	9.23	10.20
W (Mdis) USD	0.90%	10,733,245.751	8.17	8.22	8.94
W (Ydis) CHF-H1 (hedged)	0.90%	238,426.187	9.85	9.77	-
W (Ydis) EUR	0.90%	923,959.232	10.61	10.37	11.45
W (Ydis) EUR-H1 (hedged)	0.90%	2,386,091.890	8.02	8.31	9.19
X (acc) EUR	0.15%	379.158	13.82	12.52	12.92
X (acc) EUR-H1 (hedged)	0.15%	16,304,886.491	11.10	10.64	11.03
X (acc) USD	0.29%	1,734,816.472	11.09	10.33	10.45
Y (acc) CAD	0.08%	1,010,852.637	11.76	10.97	10.91
Y (Mdis) USD	0.08%	500.000	10.09	10.06	10.85
Z (acc) EUR	1.10%	174,729.095	15.53	14.20	14.80
Z (acc) USD	1.10%	14,251,521.767	13.71	12.87	13.12
Z (Mdis) GBP-H1 (hedged)	1.10%	22,453.970	8.98	9.21	10.19
Z (Mdis) USD	1.10%	4,628,200.885	8.76	8.84	9.62
Z (Ydis) EUR-H1 (hedged)	1.10%	317,897.247	8.73	9.08	10.05
Templeton Global Bond (Euro) Fund – EUR					
A (acc) EUR	1.41%	6,659,196.783	15.20	15.52	15.88
A (acc) USD	1.41%	103,536.061	9.79	10.27	10.28
A (Ydis) EUR	1.41%	5,090,702.053	9.02	9.63	10.25
I (acc) EUR	0.81%	1,237,542.964	15.85	16.09	16.38
N (acc) EUR	2.11%	3,226,029.187	13.60	13.99	14.42
N (Ydis) EUR	2.09%	1,895.049	8.71	9.29	9.88

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Templeton Global Bond (Euro) Fund – EUR (continued)					
W (acc) EUR	0.84%	5,153,226.516	10.53	10.69	10.89
X (acc) EUR	0.15%	1,566,000.000	9.76	9.84	9.95
Templeton Global Climate Change Fund – EUR					
A (acc) EUR	1.83%	1,393,686.223	21.97	21.76	21.90
A (acc) USD-H1 (hedged)	1.83%	12,422.687	10.61	10.18	-
A (Ydis) EUR	1.84%	29,390,059.214	19.63	19.59	19.79
B (acc) USD	3.13%	894.454	10.75	11.08	11.04
I (acc) EUR	0.98%	268,099.810	22.07	21.68	21.63
N (acc) EUR	2.59%	313,228.489	17.61	17.58	17.82
W (acc) EUR	1.03%	37,562.165	13.80	13.56	13.54
Z (acc) EUR	1.34%	6,100.807	12.54	12.36	12.38
Templeton Global Currency Fund – USD					
A (acc) EUR	1.35%	78,242.319	10.54	9.55	10.07
A (acc) EUR-H1 (hedged)	1.35%	62,508.369	9.98	9.57	10.15
A (acc) USD	1.35%	92,448.140	10.70	9.96	10.27
I (acc) EUR	0.81%	8,897.989	10.71	9.64	10.11
I (acc) EUR-H1 (hedged)	0.81%	62,508.369	10.14	9.67	10.18
I (acc) USD	0.81%	70,000.000	10.86	10.05	10.31
N (acc) EUR	2.05%	146,837.367	10.35	9.43	10.01
N (acc) EUR-H1 (hedged)	2.05%	64,982.519	9.80	9.47	10.09
N (acc) USD	2.05%	25,456.682	10.50	9.84	10.21
W (acc) EUR	0.85%	90,508.369	10.67	9.62	10.09
W (acc) EUR-H1 (hedged)	0.85%	62,508.369	10.12	9.66	10.18
W (acc) USD	0.85%	500.000	10.45	9.68	9.94
Templeton Global Equity Income Fund – USD					
A (acc) EUR	1.60%	111,289.899	15.80	16.27	15.67
A (acc) USD	1.60%	1,296,909.158	14.27	15.11	14.23
A (Mdis) RMB-H1 (hedged)	1.80%	7,180.287	98.06	108.20	104.49
A (Mdis) SGD	1.86%	3,374,749.591	5.87	6.56	6.50
A (Mdis) USD	1.60%	5,130,299.198	9.05	10.00	9.79
AS (Mdis) SGD	1.75%	1,659,977.193	9.26	10.32	10.22
B (Qdis) USD	2.91%	304,548.780	8.33	9.34	9.27
N (Mdis) USD	2.57%	40,668.805	8.22	9.17	9.06
Y (Mdis) USD ^Ω	0.07%	500.000	11.29	12.25	11.81
Z (Qdis) USD ^Ω	-	-	-	11.13	10.84
Templeton Global High Yield Fund – USD					
A (acc) EUR	1.71%	934,669.302	14.06	12.90	13.46
A (acc) USD	1.71%	478,645.254	15.98	15.06	15.37
A (Mdis) EUR	1.71%	8,705,389.949	6.85	6.81	7.70
A (Mdis) USD	1.71%	2,938,050.920	7.78	7.95	8.78
I (acc) EUR	0.91%	250,410.754	15.39	13.99	14.49
N (acc) EUR	2.21%	1,226,794.471	13.23	12.19	12.79
Templeton Global Income Fund – USD					
A (acc) EUR	1.69%	7,809,535.394	21.58	21.67	21.96
A (acc) EUR-H1 (hedged)	1.66%	583,782.487	9.84	10.48	10.65
A (acc) USD	1.69%	6,355,374.839	19.50	20.13	19.94
A (Mdis) SGD-H1 (hedged)	1.66%	12,371.035	8.49	9.32	9.72
A (Qdis) EUR-H1 (hedged)	1.66%	691,071.771	8.18	9.18	9.70
A (Qdis) HKD	1.69%	3,409,512.052	10.83	11.80	12.13
A (Qdis) USD	1.69%	7,205,371.081	12.46	13.51	13.95
B (Qdis) USD	3.00%	440,387.823	11.73	12.90	13.49
C (acc) USD	2.27%	129,611.355	9.89	10.26	10.23
C (Qdis) USD	2.27%	3,278,863.006	12.11	13.22	13.73
I (acc) EUR-H1 (hedged)	0.88%	1,335,570.582	10.27	10.86	10.95
I (acc) USD	0.89%	2,409,446.039	21.52	22.04	21.66
N (acc) EUR-H1 (hedged)	2.20%	380,145.508	9.38	10.04	10.27
N (acc) USD	2.19%	7,048,573.446	18.18	18.86	18.78
N (Qdis) EUR-H1 (hedged)	2.20%	2,000,530.977	8.01	9.02	9.59
S (acc) USD	0.68%	500.000	11.07	11.32	11.11
W (acc) EUR	0.91%	4,841.279	9.50	9.47	9.52
W (acc) USD	0.91%	40,920.632	10.18	10.43	10.26
Z (acc) USD	1.05%	515,654.528	15.75	16.16	15.90
Templeton Global Smaller Companies Fund – USD					
A (acc) USD	1.86%	873,204.947	41.68	44.77	41.05
A (Ydis) USD	1.85%	1,635,738.195	39.34	42.26	38.74
B (acc) USD	3.16%	7,767.496	10.42	11.34	10.54
I (acc) USD	1.10%	11,534.408	19.53	20.83	18.94
N (acc) USD	2.60%	117,526.205	26.88	29.09	26.87
Templeton Global Total Return Fund – USD					
A (acc) CHF-H1 (hedged)	1.41%	4,930,734.654	13.96	13.64	14.57
A (acc) EUR	1.41%	22,765,428.513	27.26	25.09	26.61
A (acc) EUR-H1 (hedged)	1.41%	34,130,276.139	20.72	20.21	21.49

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Templeton Global Total Return Fund – USD (continued)					
A (acc) HKD	1.41%	8,969,401.020	14.99	14.24	14.70
A (acc) NOK-H1 (hedged)	1.41%	1,360,107.978	10.86	10.43	10.97
A (acc) PLN-H1 (hedged)	1.41%	3,022,319.220	90.82	86.86	90.65
A (acc) SEK-H1 (hedged)	1.41%	7,903,671.821	12.53	12.22	12.99
A (acc) USD	1.41%	67,724,550.765	31.01	29.33	30.42
A (Mdis) AUD-H1 (hedged)	1.41%	47,630,633.637	9.40	9.80	10.95
A (Mdis) EUR	1.41%	43,942,032.455	12.06	12.16	13.90
A (Mdis) EUR-H1 (hedged)	1.41%	72,225,219.980	8.18	8.73	10.03
A (Mdis) GBP	1.41%	3,124,051.898	10.80	10.77	12.20
A (Mdis) GBP-H1 (hedged)	1.41%	20,063,061.109	6.53	6.89	7.85
A (Mdis) HKD	1.40%	1,242,533,493.967	9.01	9.38	10.43
A (Mdis) RMB-H1 (hedged)	1.41%	2,566,241.275	93.88	96.67	106.16
A (Mdis) SGD	1.40%	30,886,471.631	9.40	9.80	11.07
A (Mdis) SGD-H1 (hedged)	1.41%	73,946,021.683	8.85	9.24	10.41
A (Mdis) USD	1.41%	230,906,601.933	13.67	14.16	15.82
A (Ydis) CHF-H1 (hedged)	1.41%	2,105,927.119	8.21	8.73	9.98
A (Ydis) EUR	1.41%	36,703,791.587	13.06	13.04	14.84
A (Ydis) EUR-H1 (hedged)	1.41%	34,643,303.378	8.39	8.89	10.14
B (acc) USD	2.92%	253,852.806	24.53	23.55	24.80
B (Mdis) USD	2.92%	1,916,297.673	12.80	13.46	15.28
C (acc) USD	2.19%	1,399,964.517	9.89	9.43	9.85
C (Mdis) USD	2.19%	18,390,714.365	11.78	12.30	13.85
I (acc) CHF-H1 (hedged)	0.86%	2,275,519.113	12.70	12.34	13.09
I (acc) EUR	0.86%	8,015,443.067	26.43	24.19	25.52
I (acc) EUR-H1 (hedged)	0.86%	14,510,084.214	19.42	18.83	19.90
I (acc) NOK-H1 (hedged)	0.86%	227,946.344	10.90	10.41	10.87
I (acc) USD	0.86%	24,753,208.439	30.01	28.23	29.12
I (acc) USD-H4 (BRL) (hedged)	0.84%	2,733,689.064	9.38	8.56	9.85
I (Mdis) EUR	0.86%	1,510,996.353	12.08	12.11	13.77
I (Mdis) GBP	0.87%	42,041.655	12.85	12.74	14.36
I (Mdis) GBP-H1 (hedged)	0.87%	1,702,842.540	9.46	9.94	11.22
I (Mdis) JPY	0.85%	66,343,264.182	1,076.47	1,138.77	1,285.82
I (Mdis) JPY-H1 (hedged)	0.85%	13,934,260.386	756.23	800.47	907.84
I (Qdis) USD	0.85%	5,584,212.579	9.01	9.28	-
I (Ydis) EUR	0.86%	1,196,751.878	13.35	13.24	15.00
I (Ydis) EUR-H1 (hedged)	0.86%	18,599,279.630	8.62	9.08	10.30
N (acc) EUR	2.11%	12,572,832.748	24.39	22.61	24.15
N (acc) EUR-H1 (hedged)	2.11%	24,159,332.971	18.45	18.10	19.42
N (acc) HUF	2.11%	6,150,329.522	169.10	159.63	159.99
N (acc) USD	2.10%	15,268,902.792	27.76	26.44	27.61
N (Mdis) EUR-H1 (hedged)	2.11%	55,311,187.215	9.42	10.13	11.70
N (Mdis) USD	2.11%	2,611,829.525	6.98	7.29	8.20
N (Ydis) EUR-H1 (hedged)	2.11%	8,306,732.794	8.18	8.74	10.03
S (acc) CHF-H1 (hedged)*	0.54%	75,600.825	10.12	-	-
S (acc) EUR*	0.54%	17,948.049	9.96	-	-
S (acc) EUR-H1 (hedged)	0.54%	57,957.000	10.53	10.17	10.76
S (acc) USD	0.54%	239,708.123	11.32	10.64	10.96
S (Mdis) EUR*	0.54%	448.049	9.93	-	-
S (Mdis) GBP*	0.54%	18,323.185	10.14	-	-
S (Mdis) GBP-H1 (hedged)*	0.54%	89,527.017	10.11	-	-
S (Mdis) USD*	0.54%	107,062.556	10.11	-	-
S (Ydis) USD	0.54%	2,049,000.000	8.26	8.41	9.30
W (acc) CHF-H1 (hedged)	0.91%	1,752,811.468	9.87	9.59	10.18
W (acc) EUR	0.91%	2,246,168.301	13.15	12.04	12.71
W (acc) EUR-H1 (hedged)	0.91%	5,031,406.241	11.89	11.53	12.22
W (acc) GBP-H1 (hedged)	0.91%	280,820.033	10.56	10.10	10.61
W (acc) PLN-H1 (hedged)	0.91%	3,999.888	99.77	94.70	98.43
W (acc) USD	0.91%	8,417,313.120	12.84	12.08	12.47
W (Mdis) EUR	0.91%	9,378,403.395	9.24	9.27	10.55
W (Mdis) GBP	0.90%	1,733,876.121	10.55	10.46	11.80
W (Mdis) GBP-H1 (hedged)	0.91%	1,302,656.121	7.28	7.64	8.67
W (Mdis) USD	0.90%	16,263,160.439	7.53	7.76	8.64
W (Ydis) CHF-H1 (hedged)	0.91%	9,513.000	9.58	9.58	-
W (Ydis) EUR	0.90%	1,175,959.665	9.87	9.80	11.11
W (Ydis) EUR-H1 (hedged)	0.90%	659,033.112	9.44	9.51	-
X (acc) USD	0.29%	8,904,988.348	10.27	9.60	-
X (Ydis) USD	0.29%	336,767.832	9.32	9.44	10.39
Y (Mdis) USD	0.09%	1,805,108.852	9.50	9.71	10.71
Z (acc) USD	1.11%	4,346,989.927	15.00	14.14	14.62
Z (Mdis) GBP-H1 (hedged)	1.11%	415,246.318	8.36	8.80	10.00
Z (Mdis) USD	1.11%	3,577,449.879	8.30	8.57	9.55
Z (Ydis) EUR-H1 (hedged)	1.11%	1,234,007.823	8.46	8.93	10.15

Statistical Information (continued)

	Total Expense Ratio June 30, 2019 (See Note 26)	Shares Outstanding June 30, 2019	Net Asset Value per Share		
			June 30, 2019	June 30, 2018	June 30, 2017
Templeton Growth (Euro) Fund – EUR					
A (acc) EUR	1.83%	378,368,496.270	16.67	17.45	17.39
A (acc) USD	1.83%	13,656,132.409	18.97	20.41	19.88
A (Ydis) EUR	1.83%	14,379,939.083	16.77	17.66	17.66
A (Ydis) USD	1.83%	1,359,834.730	19.02	20.59	20.13
B (Ydis) EUR	3.13%	10,022.256	11.02	11.68	11.80
I (acc) EUR	0.97%	684,681.457	19.39	20.14	19.89
I (Ydis) EUR	0.98%	3,400.000	15.85	16.69	16.69
I (Ydis) USD	0.97%	37,993.303	18.14	19.61	19.17
N (acc) EUR	2.58%	1,659,275.733	14.39	15.18	15.24
W (acc) EUR	1.02%	1,545.286	9.53	9.89	9.78
W (acc) USD	1.04%	3,056.694	10.22	10.90	10.54
W (Ydis) EUR	1.01%	868.779	9.33	9.82	9.78
Templeton Latin America Fund – USD					
A (acc) EUR	2.26%	1,542,007.178	9.09	7.29	7.82
A (acc) SGD	2.26%	2,273,807.921	7.33	6.08	6.45
A (acc) USD	2.26%	1,786,165.945	66.43	54.71	57.43
A (Ydis) EUR	2.26%	230,135.720	51.39	41.63	45.05
A (Ydis) GBP	2.26%	19,777.963	46.21	37.00	39.67
A (Ydis) USD	2.26%	12,808,346.426	58.36	48.58	51.40
B (acc) USD	3.57%	131,904.380	11.50	9.60	10.21
C (acc) USD	2.84%	205,991.972	12.62	10.45	11.03
I (acc) USD	1.27%	746,438.265	21.93	17.88	18.60
I (Ydis) EUR-H2 (hedged)	1.27%	3,673,122.532	8.24	7.34	7.59
N (acc) PLN-H1 (hedged)	2.76%	3,129,003.579	8.00	6.69	7.21
N (acc) USD	2.76%	773,457.366	33.66	27.87	29.40
W (acc) GBP	1.31%	89,054.635	11.52	9.04	9.53
W (Ydis) USD	1.31%	409,198.775	8.58	7.15	7.56
X (acc) USD	0.25%	500.000	10.78	8.71	8.96
Z (acc) GBP	1.77%	4,445.497	11.26	8.88	9.40
Templeton Thailand Fund – USD					
A (acc) SGD	2.48%	506,585.242	24.57	21.29	19.34
A (acc) USD	2.48%	4,520,995.884	32.28	27.78	24.97
B (acc) USD	3.79%	13,541.171	29.51	25.73	23.43
N (acc) USD	2.98%	394,666.157	39.54	34.20	30.89
W (acc) USD	1.48%	240,697.418	17.13	14.60	13.00

*This Fund / share class was launched during the year

Ω This Fund / share class was closed during the year

Notes to the Financial Statements

At June 30, 2019

Note 1 — The Company

Franklin Templeton Investment Funds ("FTIF" or the "Company") is a collective investment undertaking pursuant to Part I of the amended Luxembourg law of December 17, 2010 on undertakings for collective investment and qualifies as a société d'investissement à capital variable. The Company was incorporated in Luxembourg on November 6, 1990, for an undetermined period. At the date of this report, it offers shares in 81 sub-funds of the Company (the "Funds"). The Board of Directors of the Company may authorise the creation of additional Funds in future with different investment objectives.

The Company aims to provide investors with a choice of Funds investing in a wide range of transferable securities and other eligible assets on a worldwide basis and featuring a diverse array of investment objectives, including capital growth and income. The overall objective of the Company is to seek to minimise investment exposure through diversification and to provide Shareholders with the benefit of a portfolio managed by Franklin Templeton Investments, according to its successful time-tested investment selection methods.

Changes to the Investment Manager structure of the Company

With effect from August 1, 2018:

- ▶ Franklin Templeton Investments (Asia) Limited has been appointed as lead investment manager and has in turn appointed Franklin Templeton Investments (ME) Limited as sub-investment manager of Templeton Eastern Europe Fund.
- ▶ The management structure of Franklin European Growth Fund has changed from a single management structure with Franklin Templeton Investment Management Limited to a co-management structure between Franklin Templeton International Services S.à r.l. and Franklin Templeton Investment Management Limited.
- ▶ The management structure of Franklin Global Multi Asset Income Fund has changed with the removal of FASA, LLC and the appointment by Franklin Templeton International Services S.à r.l. of Franklin Advisers, Inc and Franklin Templeton Investment Management Limited as investment co-managers together with Franklin Templeton Institutional, LLC.
- ▶ The management structure of Franklin Diversified Balanced Fund changed from a co-management structure with Franklin Templeton Investment Management Limited as lead investment manager and Franklin Templeton Institutional, LLC as co-investment manager to a management structure with Franklin Templeton International Services S.à r.l. acting as sole investment manager.
- ▶ The management structure of Franklin Diversified Conservative Fund changed from a co-management structure with Franklin Templeton Investment Management Limited as lead investment manager and Franklin Templeton Institutional, LLC as co-investment manager to a management structure with Franklin Templeton International Services S.à r.l. acting as sole investment manager.
- ▶ Franklin Templeton Investment Management Limited has been replaced by Franklin Templeton International Services S.à r.l. acting as sole investment manager of Franklin Diversified Dynamic Fund.
- ▶ The management structure of Franklin Asia Credit Fund has changed with the replacement of Templeton Asset Management LTD by Franklin Templeton Investment Management Limited acting as co-investment manager together with Franklin Advisers, Inc and Franklin Templeton Institutional, LLC.

With effect from October 1, 2018, Franklin Templeton Investment Management Limited has been removed from the management structure of Franklin Global Fundamental Strategies Fund.

With effect from October 9, 2018, the management structure of Franklin European Growth Fund has changed from a co-management structure between Franklin Templeton International Services S.à r.l. and Franklin Templeton Investment Management Limited to a management structure with Franklin Templeton Investment Management Limited acting as sole investment manager.

With effect from January 1, 2019, Franklin Templeton Investments Corp. has been removed from the management structure of Franklin NextStep Conservative Fund, Franklin NextStep Moderate Fund and Franklin NextStep Growth Fund, Franklin Advisers, Inc acting as sole Investment Manager.

With effect from April 1, 2019, Franklin Templeton Investment Management Limited has been removed from the management structure of Franklin Global Multi Asset Income Fund.

Fund closures

The Franklin Global Aggregate Investment Grade Bond Fund closed on April, 11 2019. As at June 30, 2019, the liquidation of this Fund was not completed. There was a remaining amount of cash of USD 6,304 that will be used to cover outstanding liabilities.

As of September 27, 2019, the above cash balance is still open. The cash account will be closed as soon as all invoices are paid.

Fund launches

The Franklin Emerging Markets Debt Opportunities Hard Currency Fund launched on January 18, 2019.

The Franklin Global Corporate Investment Grade Bond Fund launched on January 23, 2019.

Fund name changes

The Franklin U.S. Equity Fund is renamed Franklin Select U.S. Equity Fund from August 1, 2018.

The Franklin U.S. Dollar Liquid Reserve Fund is renamed Franklin U.S. Dollar Short-Term Money Market Fund from January 28, 2019.

The Franklin European Small-Mid Cap Growth Fund is renamed Franklin European Small-Mid Cap Fund from May 17, 2019.

The Franklin Global Small-Mid Cap Growth Fund is renamed Franklin Global Small-Mid Cap Fund from May 17, 2019.

Fund mergers

On November 23, 2018, Templeton European Fund was merged into Templeton Euroland Fund. The conversions of Shares were based on the following ratios:

- ▶ For 1 Templeton European Fund - Class A (acc) SGD, the Shareholder received 0.92865474 Shares of Templeton Euroland Fund - Class A (acc) SGD;

Notes to the Financial Statements (continued)

At June 30, 2019

Note 1 — The Company (continued)

Fund mergers (continued)

- ▶ For 1 Templeton European Fund - Class A (acc) EUR, the Shareholder received 1.00647278 Shares of Templeton Euroland Fund - Class A (acc) EUR;
- ▶ For 1 Templeton European Fund - Class A (acc) USD, the Shareholder received 2.81731426 Shares of Templeton Euroland Fund - Class A (acc) USD;
- ▶ For 1 Templeton European Fund - Class A (Ydis) USD, the Shareholder received 2.27615021 Shares of Templeton Euroland Fund - Class A (Ydis) USD;
- ▶ For 1 Templeton European Fund - Class I (acc) EUR, the Shareholder received 0.94334346 Shares of Templeton Euroland Fund - Class I (acc) EUR;
- ▶ For 1 Templeton European Fund - Class N (acc) EUR, the Shareholder received 1.54679591 Shares of Templeton Euroland Fund - Class N (acc) EUR;
- ▶ For 1 Templeton European Fund - Class Z (acc) EUR, the Shareholder received 1.15706431 Shares of Templeton Euroland Fund - Class W (acc) EUR;
- ▶ For 1 Templeton European Fund - Class W (acc) EUR, the Shareholder received 1.17198663 Shares of Templeton Euroland Fund - Class W (acc) EUR.

On February 15, 2019, Templeton Africa Fund was merged into Templeton Frontier Markets Fund. The conversions of Shares were based on the following ratios:

- ▶ For 1 Templeton Africa Fund - A (acc) USD, the Shareholder received 0.46315321 Shares of Templeton Frontier Markets Fund - A (acc) USD;
- ▶ For 1 Templeton Africa Fund - A (acc) EUR, the Shareholder received 0.44406227 Shares of Templeton Frontier Markets Fund - A (acc) EUR;
- ▶ For 1 Templeton Africa Fund - A (acc) EUR-H1, the Shareholder received 0.75104345 Shares of Templeton Frontier Markets Fund - A (acc) EUR-H1;
- ▶ For 1 Templeton Africa Fund - A (Ydis) EUR-H1, the Shareholder received 0.69314522 Shares of Templeton Frontier Markets Fund - A (acc) EUR-H1;
- ▶ For 1 Templeton Africa Fund - A (acc) GBP, the Shareholder received 0.47424209 Shares of Templeton Frontier Markets Fund - A (Ydis) GBP;
- ▶ For 1 Templeton Africa Fund - A (acc) SGD, the Shareholder received 0.54380569 Shares of Templeton Frontier Markets Fund - A (acc) SGD;
- ▶ For 1 Templeton Africa Fund - A (Ydis) EUR, the Shareholder received 0.40948711 Shares of Templeton Frontier Markets Fund - A (acc) EUR;
- ▶ For 1 Templeton Africa Fund - I (acc) EUR, the Shareholder received 0.42512204 Shares of Templeton Frontier Markets Fund - I (acc) EUR;
- ▶ For 1 Templeton Africa Fund - I (acc) USD, the Shareholder received 0.44325955 Shares of Templeton Frontier Markets Fund - I (acc) USD;
- ▶ For 1 Templeton Africa Fund - N (acc) EUR-H1, the Shareholder received 0.48657170 Shares of Templeton Frontier Markets Fund - N (acc) EUR-H1;
- ▶ For 1 Templeton Africa Fund - W (acc) GBP, the Shareholder received 0.69368186 Shares of Templeton Frontier Markets Fund - W (acc) GBP;
- ▶ For 1 Templeton Africa Fund - W (acc) EUR, the Shareholder received 0.68338209 Shares of Templeton Frontier Markets Fund - W (acc) EUR.

Note 2 — Significant accounting policies

(a) General

The financial statements are prepared in accordance with the regulations of the Grand Duchy of Luxembourg relating to investment funds under the going concern basis of accounting except for Franklin Asia Credit Fund, Franklin Brazil Opportunities Fund, Franklin K2 Global Macro Opportunities Fund and Templeton Global Currency Fund. As indicated in Note 30, these four Funds were, or will be, liquidated within 12 months following June 30, 2019. As such, the financial statements for these sub-funds have been prepared on a non-going concern basis. The application of the non-going concern basis of accounting has not lead to material adjustments to the Funds' published net asset value.

(b) Investment in securities

Securities which are listed on a stock exchange or traded on any other organised market are valued at the last available price on such exchange or market which is normally the principal market for each security, and those securities dealt in on an over-the-counter market are valued in a manner as near as possible to that for quoted securities.

Securities not listed on any stock exchange nor traded on any organised market are valued at the last available price, or if such price is not representative of their fair value, they are valued prudently and in good faith on the basis of their reasonably foreseeable sales prices.

The Company has procedures to determine the fair value of individual securities and other assets for which market prices are not readily available or which may not be reliably priced. In such circumstances, the price of such investment shall be adjusted in accordance with the procedures adopted, as determined by or under the direction of the Board of Directors.

During the accounting year under review, gains and losses on investment securities sold were computed on the average cost basis for all Funds with the exception of the Franklin High Yield Fund, the Franklin Income Fund, the Franklin U.S. Government Fund, the Templeton Asian Bond Fund and the Templeton BRIC Fund which were computed on the first-in, first-out basis.

During the accounting year under review, discounts and premiums were amortised to income over the period to maturity.

Notes to the Financial Statements (continued)

At June 30, 2019

Note 2 — Significant accounting policies (continued)

(b) Investment in securities (continued)

For mortgage-backed and other similar holdings with scheduled debt paydowns, the Funds record accruals, based on their historical experience, for anticipated paydowns. Such accruals are recorded as a reduction or increase to the related holdings as disclosed on the Schedule of Investments and are included in the related unrealised appreciation/depreciation on investments shown on the "Statement of Operations and Changes in Net Assets".

Money market instruments are valued at market value.

(c) Forward foreign exchange contracts

Forward foreign exchange contracts are valued at the forward rate applicable at the "Statement of Net Assets" date for the remaining period, until maturity. Gains or losses resulting from forward foreign exchange contracts are recognised in the "Statement of Operations and Changes in Net Assets".

(d) Financial future contracts

The Company may enter into financial future contracts to gain exposure to market changes. A financial future contract is an agreement between two parties to buy or sell a security for a set price on a future date. Required initial margin deposits of cash or securities are maintained by a broker in a segregated account. Subsequent payments, known as variation margin, are made or received by the Company depending on the fluctuations in the value of the underlying securities. Such variation margin is accounted for as unrealised gains or losses until the contract is closed, at which time the gains or losses are reclassified to realised gains or losses. Realised and unrealised gains and losses are included in the "Statement of Operations and Changes in Net Assets".

(e) Interest rate swap contracts

Interest rate swap contracts are used to hedge the risk of changes in interest rates and are agreements between two parties to exchange cash flows based on a notional principal amount. The net interest received or paid on interest rate swap contract agreements is accrued daily as interest income/expense.

Interest rate swap contracts are marked to market daily based upon quotations from the market makers and the change, if any, is recorded as an unrealised gain or loss in the "Statement of Operations and Changes in Net Assets". When the swap contract is terminated early, the Fund records a realised gain or loss equal to the difference between the current net present value and the executed net present value. Any outstanding interest accrual is recorded as either a net receivable or net payable.

The risks of interest rate swap contracts include changes in market conditions and the possible inability of the counterparty to fulfill its obligations under the agreement.

(f) Inflation swap contracts

An inflation swap contract is a bilateral agreement used to transfer inflation risk from one party to another through an exchange of cash flows.

Inflation swap contracts are marked to market daily based upon quotations from the market makers and the change, if any, is recorded as an unrealised gain or loss in the "Statement of Operations and Changes in Net Assets". When the swap contract is terminated early, the Fund records a realised gain or loss equal to the difference between the current net present value and the executed net present value. Any outstanding interest accrual is recorded as either a net receivable or net payable.

The risks of inflation swap contracts include changes in market conditions and the possible inability of the counterparty to fulfill its obligations under the agreement.

(g) Cross currency swap contracts

A cross currency swap is an agreement between two parties to exchange interest payments and principals denominated in two different currencies. Cross currency swap contracts are marked to market daily based upon quotations from the market makers and the change in value, if any, is recorded as an unrealised gain or loss in the "Statement of Operations and Changes in Net Assets".

When the swap contract is terminated early, the Fund records a realised gain or loss equal to the difference between the current net present value and the executed net present value. Any outstanding interest accrual is recorded as either a net receivable or net payable.

The risks of cross currency swap contracts include changes in market conditions and the possible inability of the counterparty to fulfill its obligations under the agreement.

(h) Total return swap contracts

A total return swap is an agreement in which one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the return of an underlying asset, which includes both the income it generates and any capital gains.

Total return swap contracts are marked to market daily based upon quotations from the market makers and the change in value, if any, is recorded as an unrealised gain or loss in the "Statement of Operations and Changes in Net Assets".

When the swap contract is terminated early, the Fund records a realised gain or loss equal to the difference between the current net present value and the executed net present value. Any outstanding interest accrual is recorded as either a net receivable or net payable.

The risks of total return swap contracts include changes in market conditions and the possible inability of the counterparty to fulfill its obligations under the agreement.

(i) Credit default swap contracts

A credit default swap contract is a credit derivative transaction in which two parties enter into an agreement, whereby one party pays the other a fixed periodic payment for the specified life of the agreement. The other party makes no payments unless a credit event, relating to a predetermined reference asset, occurs. If such an event occurs, the party will then make a payment to the first party, and the swap will terminate. The value of the underlying securities shall be taken into account for the calculation of the investment and borrowing powers applicable to individual users.

Notes to the Financial Statements (continued)

At June 30, 2019

Note 2 — Significant accounting policies (continued)

(i) Credit default swap contracts (continued)

Credit default swap contracts are marked to market daily based upon quotations from the market makers and the change in value, if any, is recorded as an unrealised gain or loss in the "Statement of Operations and Changes in Net Assets". Any payment received or paid to initiate a contract is recorded as a liability or asset in the "Statement of Net Assets". When the swap contract is terminated early, the Fund records a realised gain or loss for any payments received or paid.

The risks of credit default swap contracts include unfavourable changes in interest rates, an illiquid secondary market and the possible inability of the counterparty to fulfill its obligations under the agreement, which may be in excess of the amount reflected in the "Statement of Net Assets".

(j) Option contracts

Options are contracts entitling the holder to purchase or sell a specified number of shares or units of a particular security at a specified price at any time until the contract-stated expiration date. Options purchased are recorded as investments; options written (sold) are recorded as liabilities. When the exercise of an option results in a cash settlement, the difference between the premium (original option value) and the settlement proceeds is accounted for as a realised gain or loss. When securities are acquired or delivered upon exercise of an option, the acquisition cost or sale proceeds are adjusted by the amount of the premium. When an option is closed, the difference between the premium and the cost to close the position is accounted for as a realised gain or loss. When an option expires, the premium is accounted for as a realised gain for options written or as a realised loss for options purchased.

The risks include price movements in the underlying securities, the possibility there may be an illiquid options market, or the inability of the counterparties to fulfill their obligations under the contract.

The Company writes options on securities, futures and interest rate swaps ("swaptions"). These options are settled in cash and subject the Company to unlimited risk of loss. The Company, however, is not subject to credit risk on written options as the counterparty has already performed its obligation by paying the premium at the inception of the contract.

The market values are recorded under "Option Contracts at Market Value" in the "Statement of Net Assets".

(k) Foreign exchange transactions

Transactions expressed in currencies other than each Fund's currency are translated into each Fund's currency at the exchange rates applicable on the transaction dates.

Assets and liabilities designated in currencies other than each Fund's currency are translated into each Fund's currency at the appropriate exchange rates ruling at the period-end. Gains and losses on foreign exchange transactions are recognised in the "Statement of Operations and Changes in Net Assets" in determining the results for the accounting year.

The reference currency of the Company as reflected in the financial statements is U.S. dollar. The principal exchange rates applied as at June 30, 2019, are as follows:

AUD	1.4246029	EUR	0.8796235	NOK	8.5337000
CAD	1.3097500	GBP	0.7874326	PLN	3.7341500
CHF	0.9764500	HKD	7.8121500	SEK	9.2859000
CNH	6.8713000	HUF	284.2050000	SGD	1.3532500
CZK	22.3705000	JPY	107.8200000	ZAR	14.0883500

The list of the currency abbreviations is available in note 29.

(l) Mortgage dollar rolls

In a mortgage dollar roll, a Fund sells mortgage-backed securities for delivery in the current month and simultaneously contracts to repurchase substantially similar (name, type, coupon, and maturity) securities on a specified future date. During the period between the sale and repurchase, the Fund foregoes principal and interest paid on the mortgage-backed securities. The Fund is compensated by the difference between the current sales price and the lower forward price for the future purchase, as well as by the interest earned on the cash proceeds of the initial sale.

Mortgage dollar rolls are marked to market daily based upon quotations from the market makers and the change in value, if any, is recorded as an unrealised gain or loss in the "Statement of Operations and Changes in Net Assets".

The difference between the current sales price and the lower forward price is treated as realised gain.

The market values are recorded under "Investment in mortgage dollar rolls at market value" or under "Open Short Positions on mortgage dollar rolls" in the "Statement of Net Assets".

(m) Income

Dividends are credited to income on their ex-dividend date. Interest income is accrued on a daily basis and includes the amortisation of premiums and accretion of discounts, where applicable.

(n) Securities lending

Unless otherwise provided in the relevant Fund's investment policy, a Fund may utilise up to 50% of its assets for securities lending transactions. The volume of the securities lending transactions of each Fund shall be kept at an appropriate level or each Fund shall be entitled to request the return of the securities lent in a manner that enables it, at all times, to meet its redemption obligations and that these transactions do not jeopardise the management of each Fund's assets in accordance with its investment policy. The counterparties to securities lending transactions must have a minimum credit rating of A- or better, as rated by Standard & Poor's, Moody's or Fitch, at the time of the transactions. Loans will be secured continuously by collateral which must at least equal the value of the securities lent. Securities lending income is disclosed under the caption "Securities lending" in the "Statement of Operations and Changes in Net Assets". Any transaction expenses in connection with the loans are charged to the concerned Fund.

Notes to the Financial Statements (continued)

At June 30, 2019

Note 2 — Significant accounting policies (continued)

(o) Formation expenses

Formation expenses associated with the launch of the new Funds are expensed as incurred.

(p) Swing pricing

A Fund may suffer dilution of the net asset value per share due to investors buying or selling shares in a Fund at a price that does not reflect dealing and other costs that arise when security trades are undertaken by the Investment Manager to accommodate cash inflows or outflows.

In order to counter this impact, a swing pricing mechanism may be adopted to protect the interests of Shareholders of the Fund. If on any valuation date, the aggregate net capital activity of a Fund exceeds a pre-determined threshold, as determined and reviewed for each Fund on a periodic basis, the net asset value per share will be adjusted upwards or downwards to reflect net capital inflows or net capital outflows respectively.

The net capital inflows and net capital outflows will be determined based on the latest available information at the time of calculation of the net asset value per share. The swing pricing mechanism may be applied across all Funds. The extent of the price adjustment is set to reflect dealing and other costs. Such adjustment may vary from Fund to Fund and will not exceed 2% of the original net asset value per share.

In the case of a swing pricing event on the last day of the annual/semi-annual period, the net assets as disclosed in the "Statement of Net Assets", exclude the swing pricing adjustment, however, the net asset value per share as at year/semi-annual period end, as disclosed in the Statistical Information, would include the swing pricing adjustment.

There was no swing pricing adjustment affecting the Funds' net asset value per share on the last day of the year.

Note 3 — Cross Funds investments

Some Funds may invest into units of UCITS and other open and closed end UCIs which may include other Funds of Franklin Templeton Investment Funds. As at June 30, 2019, the following Funds held shares issued by another Fund of the Company.

	Currency	Investment in securities at market value as per Statement of Net Assets	Market value of Cross Funds investments	Investment in securities at market value after deduction of Cross Funds investments
Franklin Diversified Balanced Fund	EUR	206,115,529	6,826,188	199,289,341
Franklin Diversified Conservative Fund	EUR	200,855,128	2,482,145	198,372,983
Franklin Diversified Dynamic Fund	EUR	104,131,334	3,890,584	100,240,750
Franklin European Income Fund	EUR	19,261,206	575,118	18,686,088
Franklin Global Multi-Asset Income Fund	EUR	219,468,687	6,187,994	213,280,693
Franklin NextStep Balanced Growth Fund	USD	143,136,600	34,249,923	108,886,677
Franklin NextStep Conservative Fund	USD	38,822,345	10,608,387	28,213,958
Franklin NextStep Dynamic Growth Fund	USD	28,727,224	6,040,574	22,686,650
Franklin NextStep Growth Fund	USD	28,197,916	7,560,371	20,637,545
Franklin NextStep Moderate Fund	USD	73,504,963	20,243,500	53,261,463
Franklin NextStep Stable Growth Fund	USD	21,057,693	6,093,641	14,964,052

The total net assets at year-end without Cross Funds investments would amount to USD 95,572,762,858

Note 4 — Time deposits ("TDs")

As at June 30, 2019, the Company had the following cash on time deposits:

Fund Counterparty	Value of TDs in Fund currency	Fund Counterparty	Value of TDs in Fund currency
Franklin GCC Bond Fund		Franklin K2 Global Macro Opportunities Fund	
Bank of Montreal	USD 2,600,000	Bank of Montreal	USD 2,792,800
Royal Bank of Canada	USD 2,700,000	Credit Agricole CIB US	USD 2,792,800
	5,300,000	National Australia Bank	USD 2,792,800
		National Bank of Canada	USD 2,792,800
Franklin Global Listed Infrastructure Fund		Royal Bank of Canada	USD 2,792,800
Bank of Montreal	USD 500,000		13,964,000
Royal Bank of Canada	USD 600,000		
	1,100,000	Franklin K2 Long Short Credit Fund	
Franklin India Fund		Bank of Montreal	USD 7,247,800
National Bank of Canada	USD 9,000,000	National Australia Bank	USD 7,247,800
		Royal Bank of Canada	USD 7,247,800
Franklin K2 Alternative Strategies Fund			21,743,400
Bank of Montreal	USD 231,755,000	Franklin NextStep Balanced Growth Fund	
National Australia Bank	USD 231,755,000	Bank of Montreal	USD 1,300,000
Royal Bank of Canada	USD 231,755,000	Royal Bank of Canada	USD 1,400,000
	695,265,000		2,700,000
		Franklin NextStep Conservative Fund	
		Bank of Montreal	USD 500,000
		Royal Bank of Canada	USD 600,000
			1,100,000

Notes to the Financial Statements (continued)

At June 30, 2019

Note 4 — Time deposits (“TDs”) (continued)

Fund Counterparty		Value of TDs in Fund currency	Fund Counterparty		Value of TDs in Fund currency
Franklin NextStep Dynamic Growth Fund					
Bank of Montreal	USD	200,000	Templeton BRIC Fund		
Royal Bank of Canada	USD	300,000	Royal Bank of Canada	USD	18,000,000
		500,000	Templeton China Fund		
Franklin NextStep Growth Fund			Royal Bank of Canada	USD	5,000,000
Bank of Montreal	USD	300,000	Templeton Emerging Markets Fund		
Royal Bank of Canada	USD	400,000	National Bank of Canada	USD	6,000,000
		700,000	Royal Bank of Canada	USD	6,000,000
Franklin NextStep Moderate Fund					12,000,000
Bank of Montreal	USD	700,000	Templeton Frontier Markets Fund		
Royal Bank of Canada	USD	700,000	National Australia Bank	USD	14,000,000
		1,400,000	Templeton Global Fund		
Franklin NextStep Stable Growth Fund			Royal Bank of Canada	USD	33,000,000
Bank of Montreal	USD	200,000	Templeton Global Equity Income Fund		
Royal Bank of Canada	USD	300,000	Royal Bank of Canada	USD	3,000,000
		500,000	Templeton Global Smaller Companies Fund		
Franklin World Perspectives Fund			Royal Bank of Canada	USD	4,000,000
Royal Bank of Canada	USD	4,000,000	Templeton Growth (Euro) Fund		
Templeton Asian Growth Fund			Credit Agricole CIB London	EUR	92,940,876
National Bank of Canada	USD	65,000,000	Credit Agricole CIB US	EUR	94,119,715
Royal Bank of Canada	USD	52,000,000	Royal Bank of Canada	EUR	175,924,700
		117,000,000			362,985,291
Templeton Asian Smaller Companies Fund			Templeton Latin America Fund		
National Bank of Canada	USD	42,000,000	National Bank of Canada	USD	8,000,000
Royal Bank of Canada	USD	41,000,000	Templeton Thailand Fund		
		83,000,000	Royal Bank of Canada	USD	21,000,000

Note 5 — Forward foreign exchange contracts

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Asia Credit Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
AUD	2,272,312	USD	1,570,876	15-Jul-19	25,152
SGD	2,450,626	USD	1,794,197	15-Jul-19	17,321
					42,473

The above contracts were opened with the following counterparties:

BNP Paribas	741
Citigroup	1,578
Goldman Sachs	354
HSBC	35,852
JPMorgan	364
Morgan Stanley	2,637
Toronto-Dominion Bank	947
	42,473

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Biotechnology Discovery Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
CHF	1,853,087	USD	1,867,660	10-Jul-19	32,341
EUR	9,866,637	USD	11,123,349	10-Jul-19	105,100
USD	94,042	CHF	92,392	10-Jul-19	(687)
USD	263,250	EUR	234,218	10-Jul-19	(3,296)
					<u>133,458</u>

The above contracts were opened with the following counterparties:

Bank of America	13,677
Barclays	24,411
BNP Paribas	9,065
Citigroup	11,079
Credit Suisse	3,127
Goldman Sachs	11,861
HSBC	14,289
JPMorgan	13,000
Morgan Stanley	12,314
The Bank of New York Mellon	4,206
Toronto-Dominion Bank	6,713
UBS	9,716
	<u>133,458</u>

Franklin Brazil Opportunities Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	4,647,811	USD	5,216,932	23-Jul-19	78,296
USD	291,462	EUR	255,736	23-Jul-19	102
					<u>78,398</u>

The above contracts were opened with the following counterparties:

Bank of America	7,038
Barclays	2,628
BNP Paribas	7,431
Citigroup	8,911
Credit Suisse	2,131
Goldman Sachs	4,525
HSBC	11,285
JPMorgan	11,371
Morgan Stanley	10,476
The Bank of New York Mellon	666
UBS	11,936
	<u>78,398</u>

Franklin Diversified Balanced Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for share class hedging:					
CZK	69,260,769	EUR	2,699,917	22-Jul-19	19,165
SGD	139,079	EUR	90,437	22-Jul-19	(177)
USD	105,229	EUR	93,756	22-Jul-19	(1,385)
					<u>17,603</u>

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Diversified Balanced Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for efficient portfolio management:					
EUR	1,516,731	USD	1,711,000	15-Aug-19	17,715
USD	1,711,000	EUR	1,522,586	15-Aug-19	(23,569)
EUR	3,379,999	USD	3,811,000	16-Aug-19	41,427
USD	3,811,000	EUR	3,390,280	16-Aug-19	(51,708)
EUR	3,214,856	USD	3,621,000	11-Sep-19	48,964
EUR	4,425,373	USD	4,985,000	12-Sep-19	67,234
EUR	2,105,552	USD	2,372,000	13-Sep-19	31,980
					132,043
					149,646

The above contracts were opened with the following counterparties:

Bank of America	2,223
Barclays	672
BNP Paribas	679
Citigroup	(8,016)
Goldman Sachs	(750)
HSBC	2,703
JPMorgan	(2,763)
Morgan Stanley	154,234
The Bank of New York Mellon	133
Toronto-Dominion Bank	(5)
UBS	536
	149,646

Franklin Diversified Conservative Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for share class hedging:					
CZK	77,855,212	EUR	3,034,429	22-Jul-19	22,058
SGD	139,590	EUR	90,769	22-Jul-19	(178)
USD	569,836	EUR	507,647	22-Jul-19	(7,439)
					14,441
Forward foreign exchange contracts used for efficient portfolio management:					
EUR	2,315,430	USD	2,612,000	15-Aug-19	27,043
USD	2,612,000	EUR	2,324,369	15-Aug-19	(35,982)
EUR	8,315,632	USD	9,376,000	16-Aug-19	101,921
USD	9,376,000	EUR	8,340,925	16-Aug-19	(127,213)
EUR	7,902,632	USD	8,901,000	11-Sep-19	120,360
EUR	2,212,243	USD	2,492,000	12-Sep-19	33,610
EUR	2,141,058	USD	2,412,000	13-Sep-19	32,520
					152,259
					166,700

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Diversified Conservative Fund (continued)

	Unrealised profit/(loss) EUR
The above contracts were opened with the following counterparties:	
Bank of America	2,333
Barclays	(369)
BNP Paribas	(29)
Citigroup	(24,720)
Goldman Sachs	637
HSBC	3,058
JPMorgan	(5,674)
Morgan Stanley	191,939
UBS	(475)
	<u>166,700</u>

Franklin Diversified Dynamic Fund

Purchases	Sales			Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for share class hedging:					
CZK	66,523,507	EUR	2,589,164	10-Jul-19	24,520
NOK	2,081,318	EUR	212,175	10-Jul-19	2,229
SEK	861,521	EUR	81,225	10-Jul-19	376
SGD	146,302	EUR	95,216	10-Jul-19	(193)
USD	103,740	EUR	92,082	10-Jul-19	(925)
					26,007
Forward foreign exchange contracts used for efficient portfolio management:					
EUR	601,953	USD	678,000	11-Sep-19	9,168
EUR	2,295,690	USD	2,586,000	12-Sep-19	34,878
					44,046
					70,053

The above contracts were opened with the following counterparties:

Bank of America	3,017
Barclays	998
BNP Paribas	1,718
Citigroup	3,413
Goldman Sachs	2,084
HSBC	1,574
JPMorgan	6,340
Morgan Stanley	48,982
Toronto-Dominion Bank	520
UBS	1,407
	<u>70,053</u>

Franklin Emerging Markets Debt Opportunities Hard Currency Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	458,736	USD	516,672	10-Jul-19	5,380
Forward foreign exchange contracts used for efficient portfolio management:					
USD	512,780	EUR	450,000	24-Sep-19	(2,397)
					2,983

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Emerging Markets Debt Opportunities Hard Currency Fund (continued)

	Unrealised profit/(loss) USD
The above contracts were opened with the following counterparties:	
Barclays	142
BNP Paribas	120
Citigroup	(2,397)
UBS	5,118
	<u>2,983</u>

Franklin Euro High Yield Fund

Purchases	Sales	Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for share class hedging:			
USD 10,785,258	EUR 9,608,431	22-Jul-19	(141,015)
Forward foreign exchange contracts used for efficient portfolio management:			
EUR 24,373,432	GBP 21,050,000	08-Jul-19	866,980
GBP 3,350,000	EUR 3,817,259	08-Jul-19	(76,327)
EUR 25,762,281	USD 29,200,000	11-Sep-19	232,305
			<u>1,022,958</u>
			<u>881,943</u>

The above contracts were opened with the following counterparties:

Bank of America	(6,421)
BNP Paribas	(25,790)
Deutsche Bank	232,305
Goldman Sachs	(23,547)
HSBC	(22,604)
JPMorgan	(23,090)
Morgan Stanley	772,881
UBS	(21,791)
	<u>881,943</u>

Franklin Euro Short Duration Bond Fund

Purchases	Sales	Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for share class hedging:			
USD 24,929,341	EUR 22,211,935	22-Jul-19	(328,691)
Forward foreign exchange contracts used for efficient portfolio management:			
EUR 1,996,751	GBP 1,775,000	11-Sep-19	19,149
			<u>(309,542)</u>

The above contracts were opened with the following counterparties:

Bank of America	(307,016)
Citigroup	9,680
JPMorgan	(1,284)
Toronto-Dominion Bank	(10,922)
	<u>(309,542)</u>

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin European Dividend Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for share class hedging:					
CHF	103,735	EUR	92,585	15-Jul-19	881
PLN	28,382,754	EUR	6,651,832	15-Jul-19	27,526
SGD	133,866	EUR	86,603	15-Jul-19	313
USD	100,710	EUR	88,979	15-Jul-19	(522)
					<u>28,198</u>

The above contracts were opened with the following counterparties:

Bank of America	2,729
Barclays	2,615
BNP Paribas	1,726
Citigroup	3,079
Deutsche Bank	2,435
Goldman Sachs	2,422
HSBC	2,631
JPMorgan	2,455
Morgan Stanley	2,428
Toronto-Dominion Bank	2,689
UBS	2,989
	<u>28,198</u>

Franklin European Growth Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for share class hedging:					
EUR	1,342,958	NOK	13,183,141	10-Jul-19	(15,076)
EUR	64,921	SGD	99,483	10-Jul-19	308
NOK	20,162,706	EUR	2,055,420	10-Jul-19	21,601
SGD	3,273,457	EUR	2,130,167	10-Jul-19	(4,092)
USD	17,031,039	EUR	15,116,830	10-Jul-19	(151,381)
					<u>(148,640)</u>

The above contracts were opened with the following counterparties:

Bank of America	(14,350)
Barclays	(15,956)
BNP Paribas	(15,714)
Citigroup	(16,834)
Credit Suisse	(16,414)
Goldman Sachs	(14,932)
HSBC	(17,230)
JPMorgan	(18,034)
Morgan Stanley	(3,903)
The Bank of New York Mellon	13
Toronto-Dominion Bank	1,237
UBS	(16,523)
	<u>(148,640)</u>

Franklin European Income Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for share class hedging:					
SGD	562,006	EUR	363,663	15-Jul-19	1,233
USD	142,132	EUR	125,593	15-Jul-19	(753)
					<u>480</u>

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin European Income Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for efficient portfolio management:					
EUR	605,440	PLN	2,600,000	11-Sep-19	(4,384)
SEK	2,300,000	EUR	216,508	11-Sep-19	1,240
					(3,144)
					(2,664)

The above contracts were opened with the following counterparties:

Bank of America	(75)
Barclays	(3,234)
BNP Paribas	154
Citigroup	146
Deutsche Bank	31
Goldman Sachs	(38)
HSBC	(17)
JPMorgan	(22)
Morgan Stanley	141
Toronto-Dominion Bank	133
UBS	117
	(2,664)

Franklin European Small-Mid Cap Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for share class hedging:					
USD	518,557	EUR	460,342	10-Jul-19	(4,678)

The above contracts were opened with the following counterparties:

Barclays	(126)
BNP Paribas	(233)
Citigroup	(2,294)
Goldman Sachs	(888)
JPMorgan	(416)
Morgan Stanley	(353)
Toronto-Dominion Bank	(222)
UBS	(146)
	(4,678)

Franklin European Total Return Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for share class hedging:					
NOK	1,827,258	EUR	186,640	15-Jul-19	1,543
PLN	23,717,816	EUR	5,558,657	15-Jul-19	22,893
SEK	1,172,874	EUR	109,603	15-Jul-19	1,485
					25,921
Forward foreign exchange contracts used for efficient portfolio management:					
EUR	4,162,242	GBP	3,700,000	11-Sep-19	39,916
EUR	8,604,907	PLN	37,000,000	11-Sep-19	(73,350)
NOK	60,000,000	EUR	6,084,396	11-Sep-19	76,084
					42,650
					68,571

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin European Total Return Fund (continued)

	Unrealised profit/(loss) EUR
The above contracts were opened with the following counterparties:	
Bank of America	3,591
Barclays	1,053
BNP Paribas	3,479
Citigroup	43,403
Deutsche Bank	101
Goldman Sachs	3,721
HSBC	4,595
JPMorgan	4,278
Morgan Stanley	4,145
Toronto-Dominion Bank	60
UBS	145
	<hr/> 68,571

Franklin Flexible Alpha Bond Fund

Purchases	Sales	Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:			
EUR 1,148,352	USD 1,299,746	15-Jul-19	7,663
GBP 225,360,952	USD 286,077,972	15-Jul-19	371,019
NOK 875,309	USD 101,159	15-Jul-19	1,473
SEK 883,925	USD 93,491	15-Jul-19	1,825
			<hr/> 381,980
Forward foreign exchange contracts used for efficient portfolio management:			
AUD 11,311,000	USD 7,909,104	01-Jul-19	31,512
USD 8,018,707	AUD 11,311,000	01-Jul-19	78,092
NOK 1,990,000	USD 234,313	15-Jul-19	(982)
USD 234,850	NOK 1,990,000	15-Jul-19	1,520
USD 1,158,990	CNH 7,800,000	24-Jul-19	23,876
GBP 1,265,700	USD 1,622,334	15-Aug-19	(11,205)
USD 1,687,811	GBP 1,265,700	15-Aug-19	76,682
IDR 14,737,000,000	USD 998,916	23-Aug-19	37,111
USD 840,428	KRW 1,000,000,000	23-Aug-19	(25,148)
MXN 18,820,000	USD 937,718	09-Sep-19	30,166
EUR 1,100,000	USD 1,243,602	18-Sep-19	15,168
NOK 19,500,000	USD 2,235,572	18-Sep-19	54,732
USD 3,480,798	CAD 4,655,000	18-Sep-19	(78,610)
USD 305,603	CHF 302,550	18-Sep-19	(6,582)
USD 9,647,252	EUR 8,450,000	18-Sep-19	(22,389)
USD 2,247,784	SEK 21,300,000	18-Sep-19	(59,674)
USD 2,233,471	CNH 15,400,000	27-Sep-19	(6,269)
AUD 900,000	USD 631,391	11-Oct-19	2,274
USD 9,937,667	AUD 14,161,000	11-Oct-19	(32,686)
TRY 2,400,000	USD 369,202	18-Oct-19	21,709
USD 5,020,250	EUR 4,300,000	13-Dec-19	66,854
MXN 7,500,000	USD 379,921	16-Dec-19	(490)
			<hr/> 195,661
			<hr/> 577,641

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Flexible Alpha Bond Fund (continued)

	Unrealised profit/(loss) USD
The above contracts were opened with the following counterparties:	
Bank of America	36,396
Barclays	(8,963)
BNP Paribas	285
Citigroup	19,269
Deutsche Bank	62,937
Goldman Sachs	982
HSBC	299
JPMorgan	262,750
Morgan Stanley	63,342
Royal Bank of Scotland	30,166
UBS	110,178
	<u>577,641</u>

Franklin GCC Bond Fund

Purchases	Sales	Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:			
EUR	40,895,639	USD	45,889,359
		22-Jul-19	<u>698,807</u>

The above contracts were opened with the following counterparties:

Bank of America	84,274
Barclays	15,701
Citigroup	11,730
Goldman Sachs	1,490
JPMorgan	93,934
Morgan Stanley	336,590
Toronto-Dominion Bank	155,088
	<u>698,807</u>

Franklin Global Aggregate Bond Fund

Purchases	Sales	Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:			
EUR	941,210	USD	1,056,349
USD	101,226	EUR	89,452
		22-Jul-19	<u>15,871</u>
		22-Jul-19	<u>(677)</u>
			<u>15,194</u>
Forward foreign exchange contracts used for efficient portfolio management:			
AUD	2,590,000	USD	1,803,631
EUR	1,150,000	USD	1,299,348
GBP	2,000,000	USD	2,619,614
JPY	580,000,000	USD	5,235,596
USD	2,324,856	AUD	3,285,000
USD	1,940,171	EUR	1,720,000
USD	1,730,852	GBP	1,360,000
USD	3,350,822	JPY	365,000,000
USD	209,900	AUD	300,000
		08-Jul-19	<u>15,076</u>
		08-Jul-19	<u>9,154</u>
		08-Jul-19	<u>(78,400)</u>
		08-Jul-19	<u>148,036</u>
		08-Jul-19	<u>18,119</u>
		08-Jul-19	<u>(16,890)</u>
		08-Jul-19	<u>2,826</u>
		08-Jul-19	<u>(37,154)</u>
		08-Oct-19	<u>(1,307)</u>
			<u>59,460</u>
			<u>74,654</u>

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Global Aggregate Bond Fund (continued)

	Unrealised profit/(loss) USD
The above contracts were opened with the following counterparties:	
Bank of America	1,563
Barclays	32,681
BNP Paribas	516
Citigroup	29,372
Credit Suisse	1,381
Deutsche Bank	1,262
Goldman Sachs	2,607
HSBC	1,689
JPMorgan	772
Morgan Stanley	1,329
The Bank of New York Mellon	396
Toronto-Dominion Bank	30
UBS	1,056
	<u>74,654</u>

Franklin Global Convertible Securities Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
CHF	37,880,649	USD	38,071,295	22-Jul-19	813,898
EUR	172,045,076	USD	193,129,744	22-Jul-19	2,863,393
					3,677,291

The above contracts were opened with the following counterparties:

Bank of America	390,927
Barclays	273,054
BNP Paribas	390,066
Citigroup	497,122
Credit Suisse	49,542
Deutsche Bank	25,827
Goldman Sachs	199,659
HSBC	347,439
JPMorgan	657,630
Morgan Stanley	718,333
The Bank of New York Mellon	5,140
Toronto-Dominion Bank	46,274
UBS	76,278
	<u>3,677,291</u>

Franklin Global Fundamental Strategies Fund

Purchases	Sales			Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	135,358,755	USD	151,923,420	22-Jul-19	2,276,793
PLN	25,166,892	USD	6,621,417	22-Jul-19	122,834
					2,399,627
Forward foreign exchange contracts used for efficient portfolio management:					
USD	4,192,484	INR	292,959,800	05-Jul-19	(52,439)
USD	13,462,593	KRW	15,257,425,558	10-Jul-19	270,336
JPY	73,025,000	USD	663,703	11-Jul-19	14,286
USD	4,005,694	INR	282,265,404	11-Jul-19	(81,012)
USD	661,947	JPY	73,025,000	11-Jul-19	(16,043)
USD	6,156,003	AUD	8,604,500	15-Jul-19	112,371
USD	2,664,528	INR	188,181,000	15-Jul-19	(58,555)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Global Fundamental Strategies Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
JPY	57,680,667	USD	525,212	16-Jul-19	10,529
USD	521,296	JPY	57,680,667	16-Jul-19	(14,445)
JPY	478,045,353	USD	4,346,551	17-Jul-19	93,916
USD	4,297,635	JPY	478,045,353	17-Jul-19	(142,833)
JPY	441,277,256	USD	4,010,992	18-Jul-19	88,271
USD	3,968,345	JPY	441,277,256	18-Jul-19	(130,920)
USD	7,658,607	KRW	8,666,172,804	19-Jul-19	163,519
INR	203,136,000	USD	2,915,383	22-Jul-19	21,382
USD	6,084,966	INR	434,743,000	22-Jul-19	(200,172)
USD	2,923,870	EUR	2,567,005	23-Jul-19	(704)
USD	2,500,069	KRW	2,786,827,196	24-Jul-19	89,490
USD	8,357,735	KRW	9,945,642,330	29-Jul-19	(246,320)
USD	6,480,013	KRW	7,434,518,442	30-Jul-19	48,211
JPY	650,546,233	USD	5,941,498	31-Jul-19	107,931
USD	1,373,158	EUR	1,222,519	31-Jul-19	(20,582)
USD	5,861,099	JPY	650,546,233	31-Jul-19	(188,331)
USD	7,143,388	EUR	6,354,400	02-Aug-19	(102,132)
USD	8,555,036	EUR	7,552,182	13-Aug-19	(63,759)
USD	2,547,291	INR	177,941,000	14-Aug-19	(17,095)
USD	3,134,770	KRW	3,710,000,000	16-Aug-19	(76,031)
USD	10,804,618	KRW	12,072,000,000	19-Aug-19	356,289
USD	1,761,225	INR	125,467,000	20-Aug-19	(45,425)
USD	5,301,783	EUR	4,714,053	21-Aug-19	(81,467)
USD	2,874,658	KRW	3,411,500,000	21-Aug-19	(78,127)
USD	2,423,583	KRW	2,716,715,340	26-Aug-19	71,907
USD	2,699,614	INR	192,473,000	28-Aug-19	(68,826)
USD	2,701,810	KRW	3,207,642,330	28-Aug-19	(74,981)
INR	343,500,000	USD	4,903,479	03-Sep-19	33,426
USD	9,000,170	INR	635,500,000	03-Sep-19	(133,463)
JPY	722,847,400	USD	6,728,290	06-Sep-19	11,410
USD	10,964,278	INR	774,556,200	06-Sep-19	(163,604)
USD	3,148,871	KRW	3,710,000,000	10-Sep-19	(64,187)
USD	2,514,542	INR	177,765,569	11-Sep-19	(37,727)
JPY	237,002,315	AUD	3,150,000	12-Sep-19	(5,631)
USD	635,070	INR	44,467,000	12-Sep-19	(3,282)
USD	3,316,054	INR	232,781,736	16-Sep-19	(23,952)
USD	5,994,455	KRW	6,761,500,000	20-Sep-19	136,691
USD	1,302,542	EUR	1,129,532	23-Sep-19	9,506
USD	2,429,258	EUR	2,139,430	25-Sep-19	(20,220)
USD	1,961,714	EUR	1,714,775	30-Sep-19	(2,318)
USD	216,723	AUD	303,550	08-Oct-19	3,016
USD	4,900,451	EUR	4,303,442	08-Oct-19	(31,586)
USD	356,766	EUR	313,226	09-Oct-19	(2,240)
USD	7,716,814	KRW	8,720,000,000	10-Oct-19	157,300
USD	2,942,170	AUD	4,099,500	11-Oct-19	55,830
USD	25,776,205	EUR	22,508,017	11-Oct-19	(25,504)
USD	8,786,003	AUD	12,258,393	15-Oct-19	154,439
USD	13,660,580	EUR	11,948,209	15-Oct-19	(40,305)
USD	1,642,096	EUR	1,429,742	16-Oct-19	2,500
USD	244,650	EUR	213,000	17-Oct-19	367
USD	10,092,644	KRW	11,379,000,000	17-Oct-19	225,703
JPY	1,395,380,080	USD	13,003,921	21-Oct-19	50,342
USD	8,134,784	AUD	11,266,000	23-Oct-19	200,560
USD	15,229,109	EUR	13,263,885	23-Oct-19	10,126
USD	5,864,780	AUD	8,160,000	24-Oct-19	117,865
USD	4,576,580	EUR	4,003,950	24-Oct-19	(17,909)
USD	3,542,968	EUR	3,113,137	25-Oct-19	(29,599)
USD	16,185,992	EUR	14,304,403	29-Oct-19	(234,516)
USD	1,427,375	EUR	1,260,932	30-Oct-19	(20,204)
USD	13,917,072	EUR	12,308,042	31-Oct-19	(213,936)
USD	6,060,409	EUR	5,352,300	04-Nov-19	(86,536)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Global Fundamental Strategies Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
USD	7,868,234	EUR	6,928,763	08-Nov-19	(91,698)
USD	5,420,836	AUD	7,740,553	13-Nov-19	(33,144)
USD	239,503	EUR	210,000	14-Nov-19	(1,863)
USD	8,862,514	AUD	12,651,053	15-Nov-19	(51,800)
USD	15,053,107	EUR	13,170,933	15-Nov-19	(86,205)
USD	1,907,737	KRW	2,229,000,000	15-Nov-19	(26,935)
USD	382,011	AUD	551,000	20-Nov-19	(6,284)
USD	31,541,766	EUR	27,787,596	20-Nov-19	(411,053)
USD	1,976,701	AUD	2,859,000	21-Nov-19	(38,111)
USD	14,685,887	EUR	12,958,621	21-Nov-19	(216,323)
USD	7,824,350	AUD	11,266,000	22-Nov-19	(115,274)
USD	4,210,234	EUR	3,722,882	29-Nov-19	(73,683)
USD	211,304	AUD	303,550	03-Dec-19	(2,674)
USD	1,309,546	EUR	1,156,051	04-Dec-19	(21,238)
JPY	323,011,650	USD	3,027,143	05-Dec-19	5,505
USD	2,206,666	EUR	1,943,196	05-Dec-19	(30,411)
JPY	1,328,128,000	USD	12,451,510	06-Dec-19	18,823
USD	4,921,570	EUR	4,303,939	09-Dec-19	(34,821)
USD	7,121,506	KRW	8,434,000,000	09-Dec-19	(204,677)
USD	12,854,744	EUR	11,198,000	11-Dec-19	(42,814)
JPY	523,547,978	AUD	6,980,000	12-Dec-19	(3,192)
USD	11,554,905	EUR	10,137,441	18-Dec-19	(127,489)
JPY	889,432,000	USD	8,300,603	19-Dec-19	59,237
JPY	436,903,250	USD	4,079,609	20-Dec-19	27,204
JPY	758,076,470	USD	7,149,256	06-Mar-20	10,329
JPY	211,936,590	AUD	2,840,000	12-Mar-20	(3,586)
JPY	90,707,610	AUD	1,220,000	13-Mar-20	(4,675)
JPY	2,162,288,420	USD	20,343,694	23-Mar-20	98,820
JPY	226,545,740	USD	2,150,674	24-Mar-20	(8,756)
JPY	758,076,480	USD	7,191,025	08-Jun-20	9,484
JPY	343,383,620	AUD	4,630,000	12-Jun-20	(12,817)
USD	300,207	EUR	258,327	15-Jun-20	(1,114)
JPY	436,903,250	USD	4,131,399	22-Jun-20	22,018
JPY	1,104,098,260	USD	10,545,438	24-Jun-20	(48,062)
					(1,746,678)
					652,949

The above contracts were opened with the following counterparties:

Bank of America	(523,824)
Barclays	177,464
BNP Paribas	122,677
Citigroup	(39,677)
Credit Suisse	253,970
Deutsche Bank	(481,550)
Goldman Sachs	(48,671)
HSBC	1,092,363
JPMorgan	(61,357)
Morgan Stanley	204,723
Standard Chartered	(273,184)
The Bank of New York Mellon	132,472
Toronto–Dominion Bank	3,762
UBS	93,781
	652,949

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Global Listed Infrastructure Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
GBP	552,873	USD	702,870	10-Jul-19	(314)

The above contracts were opened with the following counterparties:

Bank of America	(100)
Barclays	(110)
BNP Paribas	(10)
Citigroup	20
Credit Suisse	(10)
Goldman Sachs	(7)
HSBC	(30)
JPMorgan	(15)
Morgan Stanley	(39)
Toronto-Dominion Bank	(11)
UBS	(2)
	(314)

Franklin Global Multi-Asset Income Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for share class hedging:					
EUR	411,852	USD	464,338	22-Jul-19	4,250
SGD	158,103	EUR	102,810	22-Jul-19	(204)
USD	30,541,577	EUR	27,212,942	22-Jul-19	(403,217)
					(399,171)
Forward foreign exchange contracts used for efficient portfolio management:					
EUR	7,013,654	USD	7,908,000	16-Aug-19	85,963
USD	7,908,000	EUR	7,034,986	16-Aug-19	(107,296)
EUR	6,910,030	USD	7,783,000	11-Sep-19	105,243
EUR	7,415,274	USD	8,353,000	12-Sep-19	112,660
EUR	3,166,316	USD	3,567,000	13-Sep-19	48,092
					244,662
					(154,509)

The above contracts were opened with the following counterparties:

Bank of America	(69,861)
Barclays	(11,937)
BNP Paribas	(20,164)
Citigroup	(84,324)
Credit Suisse	(5,639)
Deutsche Bank	(17,897)
Goldman Sachs	(15,248)
HSBC	(19,352)
JPMorgan	(78,355)
Morgan Stanley	187,305
Toronto-Dominion Bank	(10,374)
UBS	(8,663)
	(154,509)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Global Real Estate Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	14,974,369	USD	16,815,040	22-Jul-19	243,708
USD	1,315,560	EUR	1,154,173	22-Jul-19	730
					<u>244,438</u>

The above contracts were opened with the following counterparties:

Bank of America	25,927
Barclays	27,195
BNP Paribas	27,449
Citigroup	8,102
Credit Suisse	10,450
Deutsche Bank	4,078
Goldman Sachs	21,657
HSBC	26,110
JPMorgan	28,155
Morgan Stanley	28,487
The Bank of New York Mellon	5,491
Toronto-Dominion Bank	4,571
UBS	26,766
	<u>244,438</u>

Franklin Gold and Precious Metals Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
CHF	1,808,723	USD	1,818,785	22-Jul-19	37,904
EUR	13,518,221	USD	15,190,364	22-Jul-19	209,544
USD	189,892	CHF	185,316	22-Jul-19	(339)
					<u>247,109</u>

The above contracts were opened with the following counterparties:

Bank of America	20,472
Barclays	37,005
BNP Paribas	21,283
Citigroup	18,096
Credit Suisse	15,555
Deutsche Bank	7,297
Goldman Sachs	17,518
HSBC	23,025
JPMorgan	20,486
Morgan Stanley	17,233
The Bank of New York Mellon	10,718
Toronto-Dominion Bank	17,921
UBS	20,500
	<u>247,109</u>

Franklin High Yield Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
AUD	11,814,562	USD	8,251,749	10-Jul-19	45,074
EUR	5,613,824	USD	6,319,913	10-Jul-19	68,744
SGD	16,210,895	USD	11,884,978	10-Jul-19	97,049
					<u>210,867</u>

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin High Yield Fund (continued)

	Unrealised profit/(loss) USD
The above contracts were opened with the following counterparties:	
Bank of America	7,869
Barclays	22,433
BNP Paribas	2,147
Citigroup	21,628
Credit Suisse	3,216
Goldman Sachs	7,108
HSBC	17,117
JPMorgan	68,263
Morgan Stanley	26,158
UBS	34,928
	<hr/> 210,867

Franklin Income Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
AUD	13,888,416	USD	9,516,528	22-Jul-19	240,889
EUR	54,586,976	USD	61,278,526	22-Jul-19	906,761
SGD	15,881,428	USD	11,590,615	22-Jul-19	150,637
USD	112,915	ZAR	1,612,510	22-Jul-19	(1,192)
ZAR	33,529,707	USD	2,290,370	22-Jul-19	82,314
					1,379,409

The above contracts were opened with the following counterparties:

Bank of America	161,563
Barclays	94,863
BNP Paribas	109,722
Citigroup	185,146
Credit Suisse	17,902
Goldman Sachs	121,958
HSBC	276,836
JPMorgan	148,731
Morgan Stanley	182,620
Toronto-Dominion Bank	7,791
UBS	72,277
	<hr/> 1,379,409

Franklin India Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	32,168,139	USD	36,240,532	10-Jul-19	367,521
PLN	52,451,747	USD	13,790,604	10-Jul-19	260,683
USD	1,836,223	EUR	1,632,284	10-Jul-19	(21,352)
USD	674,825	PLN	2,558,461	10-Jul-19	(10,561)
					<hr/> 596,291

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin India Fund (continued)

	Unrealised profit/(loss) USD
The above contracts were opened with the following counterparties:	
Bank of America	84,877
Barclays	95,738
BNP Paribas	62,573
Citigroup	58,083
Credit Suisse	25,771
Goldman Sachs	55,052
HSBC	30,779
JPMorgan	60,501
Morgan Stanley	85,861
The Bank of New York Mellon	1,273
UBS	35,783
	<u>596,291</u>

Franklin Japan Fund

Purchases	Sales	Maturity Date	Unrealised profit/(loss) JPY
Forward foreign exchange contracts used for share class hedging:			
USD	1,597,973	JPY	172,592,102
		22-Jul-19	<u>(628,763)</u>

The above contracts were opened with the following counterparties:

Bank of America	(94,253)
Barclays	(42,356)
Citigroup	(39,755)
Credit Suisse	(76,885)
Deutsche Bank	(95,401)
Goldman Sachs	(108,309)
JPMorgan	(75,686)
Morgan Stanley	(74,367)
Toronto-Dominion Bank	(21,751)
	<u>(628,763)</u>

Franklin K2 Alternative Strategies Fund

Purchases	Sales	Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:			
BRL	18,645,370	USD	4,700,000
USD	4,824,158	BRL	18,645,370
CAD	20,448,205	USD	15,369,285
CHF	149,457,155	USD	150,907,242
CZK	299,578,669	USD	13,229,245
EUR	1,054,764,688	USD	1,193,887,471
GBP	80,211,095	USD	101,799,948
HUF	478,153,290	USD	1,678,555
NOK	3,065,459	USD	354,347
PLN	49,289,765	USD	13,074,195
SEK	2,410,712	USD	254,896
SGD	4,317,890	USD	3,161,181
USD	864,784	CAD	1,134,025
USD	4,984,244	EUR	4,404,100
USD	592,646	PLN	2,220,548
USD	96,110	SGD	130,248
JPY	13,112,316	USD	121,232
BRL	18,605,280	USD	4,800,000
		02-Aug-19	<u>30,942</u>
			<u>10,058,277</u>

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for efficient portfolio management:					
BRL	18,891,021	USD	4,676,111	02-Jul-19	243,490
USD	4,922,100	BRL	18,891,021	02-Jul-19	2,500
USD	1,142	HKD	8,924	02-Jul-19	0
PHP	6,145,000	USD	117,819	03-Jul-19	2,115
TRY	5,638,833	USD	964,243	03-Jul-19	9,032
USD	119,339	PHP	6,145,000	03-Jul-19	(595)
USD	954,065	TRY	5,638,833	03-Jul-19	(19,210)
EGP	21,845,088	USD	1,310,443	05-Jul-19	(3,396)
CHF	345,000	USD	353,153	08-Jul-19	462
CLP	82,510,000	USD	120,060	08-Jul-19	1,712
COP	97,780,000	USD	29,490	08-Jul-19	930
CZK	1,740,000	USD	77,222	08-Jul-19	600
EUR	255,000	USD	287,292	08-Jul-19	2,816
GBP	200,000	USD	254,531	08-Jul-19	(462)
INR	13,460,000	USD	191,902	08-Jul-19	2,936
KRW	88,285,000	USD	75,825	08-Jul-19	650
MXN	585,000	USD	30,479	08-Jul-19	(30)
MYR	190,000	USD	45,787	08-Jul-19	187
NOK	5,155,000	USD	600,990	08-Jul-19	3,437
PEN	450,000	USD	133,085	08-Jul-19	3,547
SEK	565,000	USD	60,321	08-Jul-19	550
USD	347,971	CHF	345,000	08-Jul-19	(5,643)
USD	117,227	CLP	82,510,000	08-Jul-19	(4,545)
USD	30,030	COP	97,780,000	08-Jul-19	(391)
USD	76,090	CZK	1,740,000	08-Jul-19	(1,733)
USD	289,201	EUR	255,000	08-Jul-19	(907)
USD	254,147	GBP	200,000	08-Jul-19	78
USD	1,802,503	INR	127,455,139	08-Jul-19	(42,449)
USD	74,764	KRW	88,285,000	08-Jul-19	(1,711)
USD	29,689	MXN	585,000	08-Jul-19	(760)
USD	45,275	MYR	190,000	08-Jul-19	(698)
USD	592,608	NOK	5,155,000	08-Jul-19	(11,820)
USD	134,168	PEN	450,000	08-Jul-19	(2,463)
USD	59,932	SEK	565,000	08-Jul-19	(939)
USD	2,960,288	TWD	91,331,503	08-Jul-19	18,674
ARS	4,615,000	USD	99,031	10-Jul-19	8,252
CNY	310,000	USD	44,970	10-Jul-19	166
IDR	2,757,605,000	USD	191,703	10-Jul-19	3,323
JPY	14,440,000	USD	133,707	10-Jul-19	314
USD	105,118	ARS	4,615,000	10-Jul-19	(2,164)
USD	44,911	CNY	310,000	10-Jul-19	(225)
USD	194,911	IDR	2,757,605,000	10-Jul-19	(115)
USD	134,498	JPY	14,440,000	10-Jul-19	477
CAD	60,000	USD	44,835	15-Jul-19	997
COP	48,490,000	USD	14,838	15-Jul-19	239
HUF	202,310,000	USD	712,934	15-Jul-19	(245)
MYR	4,445,000	USD	1,080,457	15-Jul-19	(5,026)
NOK	9,245,000	USD	1,088,626	15-Jul-19	(4,377)
USD	45,190	CAD	60,000	15-Jul-19	(642)
USD	14,886	COP	48,490,000	15-Jul-19	(191)
USD	149,632	HUF	42,530,000	15-Jul-19	(190)
BRL	115,000	USD	29,995	17-Jul-19	(89)
USD	29,907	BRL	115,000	17-Jul-19	1
ARS	27,374,339	USD	600,537	18-Jul-19	27,762
USD	90,000	INR	6,412,500	18-Jul-19	(2,707)
USD	2,927,835	KRW	3,370,038,360	18-Jul-19	7,743
CHF	332,000	USD	335,159	19-Jul-19	5,498
USD	49,658,078	EUR	43,746,600	19-Jul-19	(158,407)
USD	5,556,638	GBP	4,356,951	19-Jul-19	18,654
USD	5,192,345	HKD	40,644,000	19-Jul-19	(11,184)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
CNY	100,000	USD	14,530	22-Jul-19	31
COP	97,805,000	USD	29,914	22-Jul-19	476
MYR	120,000	USD	28,864	22-Jul-19	166
USD	2,531,092	BRL	10,038,687	22-Jul-19	(78,257)
USD	14,565	CNY	100,000	22-Jul-19	5
USD	30,481	COP	97,805,000	22-Jul-19	91
USD	28,957	MYR	120,000	22-Jul-19	(73)
CLP	692,890,000	USD	1,000,838	25-Jul-19	22,056
USD	1,673,026	CLP	1,126,154,154	25-Jul-19	10,516
EUR	3,447,278	USD	3,917,788	26-Jul-19	10,159
GBP	1,700,000	USD	2,169,191	26-Jul-19	(7,590)
HUF	228,645,512	USD	807,739	26-Jul-19	(1,689)
MXN	495,104,638	USD	25,699,043	26-Jul-19	(7,598)
NOK	60,977,161	USD	7,065,964	26-Jul-19	88,172
SEK	25,806,978	USD	2,740,787	26-Jul-19	43,538
TRY	19,786,696	USD	3,335,157	26-Jul-19	35,820
USD	11,179,672	AUD	16,060,509	26-Jul-19	(105,401)
USD	3,285,967	CAD	4,405,021	26-Jul-19	(79,775)
USD	13,371,254	CHF	13,249,369	26-Jul-19	(232,941)
USD	2,971,330	CZK	67,140,270	26-Jul-19	(32,698)
USD	6,659,925	HKD	52,111,816	26-Jul-19	(11,956)
USD	6,322,365	JPY	681,632,439	26-Jul-19	(12,044)
USD	13,600,773	NZD	20,653,430	26-Jul-19	(282,120)
USD	999,520	SEK	9,252,742	26-Jul-19	1,238
USD	2,827,006	ZAR	41,959,476	26-Jul-19	(142,923)
USD	176,351	EUR	157,000	31-Jul-19	(2,617)
USD	635,692	GBP	490,000	31-Jul-19	12,481
USD	3,316,066	ZAR	48,075,000	31-Jul-19	(84,545)
BRL	18,891,021	USD	4,907,332	02-Aug-19	(2,197)
USD	4,889,200	KRW	5,538,773,229	05-Aug-19	87,294
USD	2,882,636	BRL	11,505,465	07-Aug-19	(103,357)
USD	236,756	PEN	786,099	09-Aug-19	(1,575)
USD	4,898,735	TWD	149,950,800	13-Aug-19	58,627
USD	3,010,266	SGD	4,120,000	15-Aug-19	(37,166)
PLN	2,710,000	USD	703,401	23-Aug-19	23,384
USD	389,785	INR	27,826,000	26-Aug-19	(10,480)
CAD	35,000	USD	26,231	30-Aug-19	527
CHF	133,906	USD	137,541	30-Aug-19	398
DKK	5,262,988	USD	808,147	30-Aug-19	(2,162)
EUR	130,144	USD	148,244	30-Aug-19	467
USD	980,106	AUD	1,414,766	30-Aug-19	(15,040)
USD	10,148,512	DKK	67,307,722	30-Aug-19	(159,144)
USD	384,616	EUR	341,461	30-Aug-19	(5,559)
USD	179,116	GBP	141,779	30-Aug-19	(1,446)
AUD	447,000	USD	311,526	18-Sep-19	3,041
CAD	31,067,000	USD	23,609,519	18-Sep-19	148,313
CHF	4,279,824	USD	4,389,770	18-Sep-19	26,004
COP	15,438,875,362	USD	4,520,239	18-Sep-19	261,011
EUR	12,763,000	USD	14,500,885	18-Sep-19	103,240
GBP	3,763,000	USD	4,794,834	18-Sep-19	1,011
HKD	17,588,000	USD	2,247,454	18-Sep-19	4,839
IDR	25,234,784,230	USD	1,735,781	18-Sep-19	34,439
INR	91,830,801	USD	1,305,899	18-Sep-19	11,196
JPY	3,459,543,000	USD	32,248,980	18-Sep-19	26,515
MXN	98,151,000	USD	5,051,288	18-Sep-19	(5,200)
NZD	1,854,000	USD	1,225,148	18-Sep-19	22,225
SEK	22,910,000	USD	2,443,686	18-Sep-19	37,431
USD	18,993,587	AUD	27,281,000	18-Sep-19	(204,843)
USD	20,865,996	CAD	27,719,000	18-Sep-19	(331,524)
USD	14,198,269	CHF	13,999,424	18-Sep-19	(245,854)
USD	4,724,838	COP	15,438,875,362	18-Sep-19	(56,412)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
USD	58,058,632	EUR	51,013,678	18-Sep-19	(314,020)
USD	26,386,760	GBP	20,660,000	18-Sep-19	56,128
USD	5,729,504	IDR	83,311,278,851	18-Sep-19	(114,782)
USD	1,297,595	INR	91,830,801	18-Sep-19	(19,499)
USD	3,185,266	JPY	341,985,000	18-Sep-19	(5,252)
USD	881,256	MXN	17,152,000	18-Sep-19	(554)
USD	8,559,257	NZD	13,011,000	18-Sep-19	(194,555)
USD	3,586,968	RUB	238,160,321	18-Sep-19	(136,849)
USD	5,572,601	ZAR	82,585,093	18-Sep-19	(232,546)
USD	4,746,623	CAD	6,351,000	19-Sep-19	(110,238)
USD	878,536	EUR	778,000	19-Sep-19	(11,759)
EUR	93,000	USD	106,113	20-Sep-19	318
GBP	21,000	USD	26,794	20-Sep-19	(28)
USD	5,172,592	CAD	6,924,000	20-Sep-19	(122,539)
USD	15,409,370	EUR	13,636,000	20-Sep-19	(195,962)
USD	229,361	GBP	182,000	20-Sep-19	(2,611)
USD	13,700	JPY	1,477,000	20-Sep-19	(82)
GBP	800,000	USD	1,020,238	30-Sep-19	(190)
USD	4,122,535	CAD	5,397,000	30-Sep-19	(5,395)
USD	254,666	GBP	200,000	30-Sep-19	(346)
USD	2,591,500	COP	8,518,649,094	15-Oct-19	(42,432)
USD	196,884	GBP	154,000	16-Dec-19	(43)
					(2,558,883)
					7,499,394

The above contracts were opened with the following counterparties:

Bank of America	2,478,166
Barclays	44,284
Citigroup	(30,881)
Deutsche Bank	175,840
Goldman Sachs	401,663
HSBC	49,375
JPMorgan	2,660,776
Morgan Stanley	1,733,417
UBS	(13,246)
	7,499,394

Franklin K2 Global Macro Opportunities Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	4,351,974	USD	4,926,766	15-Jul-19	27,349
GBP	2,395,401	USD	3,039,029	15-Jul-19	5,056
USD	113,041	EUR	99,328	15-Jul-19	(29)
JPY	154,166,082	USD	1,425,322	16-Jul-19	6,209
					38,585
Forward foreign exchange contracts used for efficient portfolio management:					
BRL	764,620	USD	189,267	02-Jul-19	9,855
USD	199,224	BRL	764,620	02-Jul-19	101
TRY	193,809	USD	33,226	03-Jul-19	226
USD	32,748	TRY	193,809	03-Jul-19	(704)
CNH	1,242,644	USD	180,000	12-Jul-19	868
KRW	213,535,800	USD	180,000	12-Jul-19	4,992
ARS	1,911,673	USD	41,932	18-Jul-19	1,945
BRL	764,620	USD	198,626	02-Aug-19	(89)
AUD	98,000	USD	68,002	18-Sep-19	964
BRL	395,148	USD	100,000	18-Sep-19	2,123

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Global Macro Opportunities Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
CAD	441,000	USD	335,014	18-Sep-19	2,231
CHF	242,000	USD	245,264	18-Sep-19	4,423
CNH	691,382	USD	100,000	18-Sep-19	579
COP	1,061,655,619	USD	317,716	18-Sep-19	11,067
CZK	2,576,608	EUR	100,000	18-Sep-19	932
EUR	100,000	HUF	32,535,100	18-Sep-19	(654)
EUR	100,000	NOK	981,945	18-Sep-19	(938)
EUR	700,000	SEK	7,473,497	18-Sep-19	(8,389)
EUR	373,000	USD	426,529	18-Sep-19	279
GBP	118,000	USD	150,010	18-Sep-19	378
HUF	32,086,042	EUR	100,000	18-Sep-19	(934)
IDR	879,624,336	USD	60,505	18-Sep-19	1,200
INR	20,688,579	USD	293,204	18-Sep-19	3,525
JPY	12,653,000	USD	117,670	18-Sep-19	375
KRW	116,984,930	USD	100,000	18-Sep-19	1,566
MXN	1,391,000	USD	71,530	18-Sep-19	(17)
NOK	977,052	EUR	100,000	18-Sep-19	363
NZD	117,000	USD	76,627	18-Sep-19	2,091
PHP	7,908,987	USD	150,000	18-Sep-19	3,827
PLN	645,204	EUR	150,000	18-Sep-19	1,479
RUB	9,910,850	USD	150,000	18-Sep-19	4,964
SEK	3,189,844	EUR	300,000	18-Sep-19	2,179
SGD	68,204	USD	50,000	18-Sep-19	470
THB	4,654,821	USD	150,000	18-Sep-19	2,070
TWD	3,093,213	USD	100,000	18-Sep-19	39
USD	899,702	AUD	1,292,000	18-Sep-19	(9,515)
USD	50,000	BRL	203,497	18-Sep-19	(2,592)
USD	473,280	CAD	628,000	18-Sep-19	(6,970)
USD	511,394	CHF	504,000	18-Sep-19	(8,616)
USD	200,000	CNH	1,386,321	18-Sep-19	(1,675)
USD	325,343	COP	1,082,263,856	18-Sep-19	(9,822)
USD	2,477,420	EUR	2,176,009	18-Sep-19	(12,488)
USD	606,854	GBP	476,000	18-Sep-19	204
USD	230,218	IDR	3,347,577,869	18-Sep-19	(4,614)
USD	142,293	INR	10,070,086	18-Sep-19	(2,138)
USD	130,520	JPY	14,051,000	18-Sep-19	(567)
USD	200,000	KRW	237,340,260	18-Sep-19	(6,059)
USD	344,009	NZD	522,000	18-Sep-19	(7,193)
USD	143,589	RUB	9,533,741	18-Sep-19	(5,478)
USD	50,000	SGD	68,963	18-Sep-19	(1,032)
USD	150,000	TWD	4,706,995	18-Sep-19	(2,231)
USD	201,428	ZAR	2,986,568	18-Sep-19	(8,507)
ZAR	732,783	USD	50,000	18-Sep-19	1,510
CLP	68,703,176	USD	100,000	23-Sep-19	1,432
USD	250,000	CLP	176,108,300	23-Sep-19	(10,004)
TWD	6,016,600	USD	200,000	23-Mar-20	(3,647)
USD	200,000	TWD	6,141,200	23-Mar-20	(419)
					(47,035)
					(8,450)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Global Macro Opportunities Fund (continued)

	Unrealised profit/(loss) USD
The above contracts were opened with the following counterparties:	
Bank of America	514
Barclays	19,490
Citigroup	141
Deutsche Bank	10,465
Goldman Sachs	1,156
HSBC	573
JPMorgan	(11,325)
Morgan Stanley	(29,890)
Toronto-Dominion Bank	222
UBS	204
	(8,450)

Franklin K2 Long Short Credit Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	21,714,991	USD	24,578,041	15-Jul-19	141,449
GBP	812,625	USD	1,031,353	15-Jul-19	1,335
USD	128,059	EUR	112,513	15-Jul-19	(21)
					142,763
Forward foreign exchange contracts used for efficient portfolio management:					
BRL	1,933,489	USD	478,598	02-Jul-19	24,921
USD	503,775	BRL	1,933,489	02-Jul-19	256
TRY	489,632	USD	83,940	03-Jul-19	571
USD	82,733	TRY	489,632	03-Jul-19	(1,778)
EGP	2,412,475	USD	144,720	05-Jul-19	(375)
ARS	4,759,848	USD	104,404	18-Jul-19	4,844
BRL	1,933,489	USD	502,264	02-Aug-19	(225)
COP	1,260,359,221	USD	369,012	18-Sep-19	21,308
IDR	2,060,219,423	USD	141,713	18-Sep-19	2,812
INR	10,211,266	USD	145,211	18-Sep-19	1,245
USD	385,883	COP	1,260,359,221	18-Sep-19	(4,437)
USD	384,209	EUR	341,718	18-Sep-19	(6,804)
USD	559,634	IDR	8,137,477,662	18-Sep-19	(11,210)
USD	144,288	INR	10,211,266	18-Sep-19	(2,168)
USD	360,454	RUB	23,932,684	18-Sep-19	(13,752)
USD	484,105	ZAR	7,183,944	18-Sep-19	(20,876)
USD	252,342	EUR	220,000	30-Sep-19	386
					(5,282)
					137,481

The above contracts were opened with the following counterparties:

Bank of America	23,073
Barclays	2,245
BNP Paribas	9,696
Citigroup	1,170
Goldman Sachs	644
HSBC	1,108
JPMorgan	47,037
Morgan Stanley	50,305
UBS	2,203
	137,481

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin MENA Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	9,306,483	USD	10,532,789	15-Jul-19	62,745
USD	409,496	EUR	360,851	15-Jul-19	(1,337)
					<u>61,408</u>

The above contracts were opened with the following counterparties:

Bank of America	6,124
Barclays	7,693
BNP Paribas	2,682
Citigroup	6,981
Goldman Sachs	6,113
HSBC	7,532
JPMorgan	6,019
Morgan Stanley	4,235
The Bank of New York Mellon	554
Toronto-Dominion Bank	6,252
UBS	7,223
	<u>61,408</u>

Franklin Natural Resources Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	1,696,563	USD	1,904,571	22-Jul-19	28,151
PLN	75,595,482	USD	19,901,100	22-Jul-19	357,060
					<u>385,211</u>

The above contracts were opened with the following counterparties:

Bank of America	36,643
Barclays	30,055
BNP Paribas	28,899
Citigroup	24,496
Credit Suisse	27,884
Deutsche Bank	29,536
Goldman Sachs	25,423
HSBC	25,938
JPMorgan	40,258
Morgan Stanley	50,683
The Bank of New York Mellon	1,746
Toronto-Dominion Bank	37,802
UBS	25,848
	<u>385,211</u>

Franklin NextStep Balanced Growth Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
CNH	4,146,433	USD	598,461	10-Jul-19	4,970
SGD	4,503,718	USD	3,301,518	10-Jul-19	27,335
USD	220,981	CNH	1,523,801	10-Jul-19	(778)
					<u>31,527</u>

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin NextStep Balanced Growth Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for efficient portfolio management:					
EUR	4,150,000	USD	4,723,240	07-Aug-19	10,620
USD	4,687,591	EUR	4,150,000	07-Aug-19	(46,269)
					(35,649)
					(4,122)

The above contracts were opened with the following counterparties:

Bank of America	(32,033)
Barclays	1,940
BNP Paribas	865
Citigroup	4,973
Goldman Sachs	3,448
HSBC	3,787
JPMorgan	4,289
Morgan Stanley	4,985
Toronto-Dominion Bank	1,298
UBS	2,326
	(4,122)

Franklin NextStep Conservative Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	4,439,927	USD	4,982,947	22-Jul-19	75,002
GBP	2,172,410	USD	2,724,546	22-Jul-19	37,736
PLN	63,815,506	USD	16,783,790	22-Jul-19	317,561
					430,299
Forward foreign exchange contracts used for efficient portfolio management:					
EUR	2,600,000	USD	2,959,138	07-Aug-19	6,654
USD	2,936,804	EUR	2,600,000	07-Aug-19	(28,988)
					(22,334)
					407,965

The above contracts were opened with the following counterparties:

Bank of America	48,119
Barclays	3,189
BNP Paribas	15,024
Citigroup	61,821
Deutsche Bank	7,519
Goldman Sachs	23,159
HSBC	21,251
JPMorgan	103,460
Morgan Stanley	115,697
Toronto-Dominion Bank	7,780
UBS	946
	407,965

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin NextStep Dynamic Growth Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
CNH	637,168	USD	91,889	15-Jul-19	836
SGD	2,519,819	USD	1,845,008	15-Jul-19	17,659
					18,495
Forward foreign exchange contracts used for efficient portfolio management:					
EUR	540,000	USD	614,590	07-Aug-19	1,382
USD	609,952	EUR	540,000	07-Aug-19	(6,021)
					(4,639)
					13,856

The above contracts were opened with the following counterparties:

Bank of America	(2,220)
Barclays	1,137
BNP Paribas	1,428
Citigroup	1,213
Deutsche Bank	68
Goldman Sachs	1,309
HSBC	2,804
JPMorgan	3,086
Morgan Stanley	2,857
Toronto-Dominion Bank	407
UBS	1,767
	13,856

Franklin NextStep Growth Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	74,042	USD	83,097	22-Jul-19	1,252
GBP	2,876,219	USD	3,608,071	22-Jul-19	49,122
PLN	6,830,506	USD	1,797,257	22-Jul-19	33,190
					83,564
Forward foreign exchange contracts used for efficient portfolio management:					
EUR	600,000	USD	682,878	07-Aug-19	1,535
USD	677,724	EUR	600,000	07-Aug-19	(6,689)
					(5,154)
					78,410

The above contracts were opened with the following counterparties:

Bank of America	4,364
Barclays	900
BNP Paribas	8,472
Citigroup	9,617
Credit Suisse	398
Deutsche Bank	1,730
Goldman Sachs	5,169
HSBC	3,834
JPMorgan	23,170
Morgan Stanley	18,830
Toronto-Dominion Bank	1,213
UBS	713
	78,410

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin NextStep Moderate Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	3,876,053	USD	4,387,031	15-Jul-19	25,898
GBP	3,382,595	USD	4,292,810	15-Jul-19	6,696
PLN	97,540,532	USD	25,874,794	15-Jul-19	259,033
					291,627
Forward foreign exchange contracts used for efficient portfolio management:					
EUR	2,540,000	USD	2,890,850	07-Aug-19	6,500
USD	2,869,032	EUR	2,540,000	07-Aug-19	(28,319)
					(21,819)
					269,808

The above contracts were opened with the following counterparties:

Bank of America	37,508
Barclays	10,980
BNP Paribas	28,023
Citigroup	27,707
Deutsche Bank	3,848
Goldman Sachs	10,776
HSBC	12,653
JPMorgan	64,834
Morgan Stanley	67,359
Toronto-Dominion Bank	5,883
UBS	237
	269,808

Franklin NextStep Stable Growth Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
SGD	2,395,488	USD	1,756,052	10-Jul-19	14,535
Forward foreign exchange contracts used for efficient portfolio management:					
EUR	1,180,000	USD	1,342,993	07-Aug-19	3,020
USD	1,332,857	EUR	1,180,000	07-Aug-19	(13,156)
					(10,136)
					4,399

The above contracts were opened with the following counterparties:

Bank of America	(7,107)
BNP Paribas	673
Citigroup	2,198
Credit Suisse	115
Goldman Sachs	1,961
HSBC	1,229
JPMorgan	2,349
Morgan Stanley	2,879
UBS	102
	4,399

Franklin Select U.S. Equity Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	7,833,708	USD	8,795,883	22-Jul-19	128,249

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Select U.S. Equity Fund (continued)

	Unrealised profit/(loss) USD
The above contracts were opened with the following counterparties:	
Bank of America	12,717
Barclays	18,235
BNP Paribas	11,067
Citigroup	13,316
Credit Suisse	7,389
Deutsche Bank	2,335
Goldman Sachs	9,371
HSBC	17,702
JPMorgan	10,883
Morgan Stanley	14,164
The Bank of New York Mellon	362
Toronto-Dominion Bank	2,269
UBS	8,439
	<u>128,249</u>

Franklin Strategic Income Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
AUD	1,609,738	USD	1,106,110	22-Jul-19	24,824
EUR	167,050,016	USD	187,489,572	22-Jul-19	2,813,211
PLN	1,311,794	USD	349,579	22-Jul-19	1,957
SGD	137,917	USD	100,655	22-Jul-19	1,309
					<u>2,841,301</u>
Forward foreign exchange contracts used for efficient portfolio management:					
USD	4,227,233	AUD	5,900,000	26-Jul-19	81,543
USD	5,141,349	CAD	6,800,000	26-Jul-19	(54,024)
USD	1,578,148	AUD	2,250,000	08-Aug-19	(3,459)
CAD	1,000,000	USD	747,048	18-Sep-19	17,594
EUR	4,450,000	USD	5,043,586	18-Sep-19	48,710
NOK	46,500,000	USD	5,330,979	18-Sep-19	130,516
SEK	24,400,000	USD	2,623,191	18-Sep-19	20,094
USD	2,293,594	CAD	3,050,000	18-Sep-19	(38,565)
USD	1,717,154	CHF	1,700,000	18-Sep-19	(36,982)
USD	11,944,563	EUR	10,468,455	18-Sep-19	(34,869)
USD	8,014,696	SEK	75,100,000	18-Sep-19	(120,988)
CNH	12,000,000	USD	1,788,032	27-Sep-19	(42,780)
USD	7,528,744	CNH	51,350,000	27-Sep-19	60,518
USD	3,822,630	BRL	15,000,000	10-Oct-19	(42,424)
USD	4,099,970	AUD	5,800,000	11-Oct-19	16,356
TRY	10,500,000	USD	1,615,260	18-Oct-19	94,976
USD	2,831,218	IDR	41,500,000,000	13-Dec-19	(44,190)
USD	2,564,212	KRW	3,000,000,000	16-Dec-19	(42,342)
					<u>9,684</u>
					<u>2,850,985</u>

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Strategic Income Fund (continued)

	Unrealised profit/(loss) USD
The above contracts were opened with the following counterparties:	
Bank of America	321,144
Barclays	198,645
BNP Paribas	75,886
Citigroup	455,460
Credit Suisse	151,021
Deutsche Bank	41,638
Goldman Sachs	364,140
HSBC	444,910
JPMorgan	359,093
Morgan Stanley	315,084
The Bank of New York Mellon	24,984
UBS	98,980
	<hr/> 2,850,985

Franklin Technology Fund

Purchases	Sales	Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:			
EUR 20,705,543	USD 23,435,003	15-Jul-19	138,487
USD 774,034	EUR 680,188	15-Jul-19	(368)
EUR 1,567,448	USD 1,760,799	22-Jul-19	24,833
PLN 411,735	USD 108,481	22-Jul-19	1,857
SGD 17,029,424	USD 12,443,082	22-Jul-19	146,890
USD 47,090	EUR 41,357	22-Jul-19	(24)
USD 4,003	PLN 15,003	22-Jul-19	(18)
USD 262,105	SGD 354,722	22-Jul-19	(143)
			<hr/> 311,514

The above contracts were opened with the following counterparties:

Bank of America	32,114
Barclays	48,521
BNP Paribas	35,690
Citigroup	29,872
Deutsche Bank	107
Goldman Sachs	22,570
HSBC	31,011
JPMorgan	39,834
Morgan Stanley	27,749
Toronto-Dominion Bank	33,919
UBS	10,127
	<hr/> 311,514

Franklin U.S. Government Fund

Purchases	Sales	Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:			
EUR 5,637,190	USD 6,356,370	10-Jul-19	58,877
JPY 27,327,044	USD 253,195	10-Jul-19	498
			<hr/> 59,375

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin U.S. Government Fund (continued)

	Unrealised profit/(loss) USD
The above contracts were opened with the following counterparties:	
Bank of America	6,738
Barclays	11,629
BNP Paribas	66
Citigroup	2,102
Credit Suisse	5,768
Goldman Sachs	665
HSBC	2,645
JPMorgan	12,612
Morgan Stanley	6,383
UBS	10,767
	<u>59,375</u>

Franklin U.S. Low Duration Fund

Purchases	Sales		Maturity Date	Unrealised profit/(loss) USD	
Forward foreign exchange contracts used for share class hedging:					
EUR	109,352,365	USD	123,196,468	10-Jul-19	1,248,931
Forward foreign exchange contracts used for efficient portfolio management:					
EUR	1,650,000	USD	1,877,865	03-Jul-19	(1,257)
USD	1,961,850	EUR	1,650,000	03-Jul-19	85,242
MXN	36,300,000	USD	1,848,834	08-Aug-19	28,205
USD	1,879,534	MXN	36,300,000	08-Aug-19	2,495
NOK	12,000,000	USD	1,375,737	18-Sep-19	33,681
PLN	3,210,000	USD	844,508	18-Sep-19	16,725
SEK	4,460,000	USD	479,485	18-Sep-19	3,673
USD	747,876	CAD	1,000,000	18-Sep-19	(16,766)
USD	17,915,349	EUR	15,688,416	18-Sep-19	(37,474)
USD	852,069	PLN	3,210,000	18-Sep-19	(9,164)
USD	1,869,446	SEK	17,560,000	18-Sep-19	(32,853)
CNH	3,060,000	USD	455,948	27-Sep-19	(10,909)
USD	2,205,443	CNH	15,070,000	27-Sep-19	13,698
USD	764,404	KRW	865,000,000	27-Sep-19	14,845
USD	1,763,615	AUD	2,520,000	11-Oct-19	(10,645)
TRY	2,130,000	USD	327,667	18-Oct-19	19,267
MXN	11,700,000	USD	592,677	16-Dec-19	(765)
					97,998
					1,346,929

The above contracts were opened with the following counterparties:

Bank of America	220,804
Barclays	5,102
BNP Paribas	84,407
Citigroup	224,075
Deutsche Bank	53,732
Goldman Sachs	210,226
HSBC	69,673
JPMorgan	129,913
Morgan Stanley	286,343
UBS	62,654
	<u>1,346,929</u>

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin U.S. Opportunities Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
CHF	4,435,684	USD	4,453,965	22-Jul-19	99,346
CNH	3,353,672	USD	485,001	22-Jul-19	3,050
EUR	262,471,605	USD	294,651,879	22-Jul-19	4,354,845
NOK	52,508,440	USD	6,017,432	22-Jul-19	140,746
PLN	187,009,566	USD	49,208,182	22-Jul-19	906,854
SEK	58,270,270	USD	6,143,990	22-Jul-19	142,927
SGD	48,699,988	USD	35,549,358	22-Jul-19	454,884
USD	110,303	CHF	107,525	22-Jul-19	(73)
USD	11,993	CNH	82,492	22-Jul-19	(12)
USD	5,513,055	EUR	4,841,276	22-Jul-19	(2,110)
USD	1,099,707	PLN	4,122,184	22-Jul-19	(4,961)
USD	167,084	SEK	1,547,965	22-Jul-19	71
USD	697,703	SGD	944,185	22-Jul-19	(339)
					<u>6,095,228</u>

The above contracts were opened with the following counterparties:

Bank of America	501,733
Barclays	648,355
BNP Paribas	910,053
Citigroup	652,496
Credit Suisse	84,006
Deutsche Bank	76,077
Goldman Sachs	402,326
HSBC	874,155
JPMorgan	618,155
Morgan Stanley	596,424
The Bank of New York Mellon	81,650
Toronto–Dominion Bank	217,598
UBS	432,200
	6,095,228

Franklin Mutual European Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for share class hedging:					
CNH	814,903	EUR	104,660	22-Jul-19	(559)
CZK	378,393,208	EUR	14,749,445	22-Jul-19	105,748
EUR	1,228,325	USD	1,401,493	22-Jul-19	(1,921)
USD	35,117,398	EUR	31,288,083	22-Jul-19	(461,648)
					<u>(358,380)</u>

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Mutual European Fund (continued)

	Unrealised profit/(loss) EUR
The above contracts were opened with the following counterparties:	
Bank of America	(62,282)
Barclays	(50,052)
BNP Paribas	(30,468)
Citigroup	(49,561)
Credit Suisse	(9,379)
Deutsche Bank	(12,305)
Goldman Sachs	(34,444)
HSBC	(25,601)
JPMorgan	(21,445)
Morgan Stanley	(33,083)
The Bank of New York Mellon	(10,440)
Toronto-Dominion Bank	(1,645)
UBS	(17,675)
	<u>(358,380)</u>

Franklin Mutual Global Discovery Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	8,045,679	GBP	7,202,400	25-Jul-19	8,497
EUR	63,435,676	USD	71,974,641	25-Jul-19	309,702
GBP	102,000	EUR	114,038	25-Jul-19	(229)
					<u>317,970</u>

The above contracts were opened with the following counterparties:

Bank of America	283,999
Barclays	4,499
BNP Paribas	6,768
Citigroup	8
Goldman Sachs	1,874
JPMorgan	5,976
Morgan Stanley	13,413
Toronto-Dominion Bank	1,433
	<u>317,970</u>

Franklin Mutual U.S. Value Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	6,141,040	USD	6,950,539	15-Jul-19	41,103
USD	95,214	EUR	84,237	15-Jul-19	(691)
					<u>40,412</u>

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Mutual U.S. Value Fund (continued)

	Unrealised profit/(loss) USD
The above contracts were opened with the following counterparties:	
Bank of America	3,306
Barclays	3,793
BNP Paribas	4,830
Citigroup	3,865
Goldman Sachs	2,426
HSBC	4,290
JPMorgan	3,589
Morgan Stanley	4,556
The Bank of New York Mellon	1,530
Toronto-Dominion Bank	4,011
UBS	4,216
	<u>40,412</u>

Templeton Asian Bond Fund

Purchases	Sales	Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:			
AUD 1,090,718	USD 747,383	22-Jul-19	18,911
CHF 17,417,101	USD 17,480,375	22-Jul-19	398,601
EUR 21,142,227	USD 23,731,726	22-Jul-19	353,424
SGD 36,493,675	USD 26,633,316	22-Jul-19	346,718
USD 190,756	CHF 189,820	22-Jul-19	(4,097)
USD 98,276	EUR 86,044	22-Jul-19	254
			<u>1,113,811</u>
Forward foreign exchange contracts used for efficient portfolio management:			
INR 305,373,300	USD 4,392,291	05-Jul-19	32,500
USD 4,370,131	INR 305,373,300	05-Jul-19	(54,661)
USD 6,518,900	KRW 7,388,000,000	10-Jul-19	130,903
JPY 256,041,000	USD 2,336,674	11-Jul-19	40,500
USD 2,320,925	JPY 256,041,000	11-Jul-19	(56,248)
USD 5,206,793	AUD 7,277,750	15-Jul-19	95,044
JPY 1,382,852,332	USD 12,676,571	16-Jul-19	167,441
USD 12,495,055	JPY 1,382,852,332	16-Jul-19	(348,957)
JPY 981,200,000	USD 8,909,998	17-Jul-19	204,172
USD 8,823,418	JPY 981,200,000	17-Jul-19	(290,752)
JPY 1,769,883,600	USD 16,104,154	22-Jul-19	342,511
USD 4,393,640	INR 311,743,000	22-Jul-19	(113,271)
USD 15,925,127	JPY 1,769,883,600	22-Jul-19	(521,539)
JPY 44,326,250	USD 403,117	25-Jul-19	8,884
USD 398,947	JPY 44,326,250	25-Jul-19	(13,054)
USD 1,488,134	KRW 1,707,335,782	30-Jul-19	11,071
JPY 711,242,000	USD 6,476,197	31-Jul-19	137,641
USD 6,408,140	JPY 711,242,000	31-Jul-19	(205,699)
USD 10,790,030	KRW 12,770,000,000	16-Aug-19	(261,702)
INR 130,000,000	USD 1,857,528	20-Aug-19	14,395
USD 25,808,985	INR 1,840,000,000	20-Aug-19	(685,912)
JPY 772,149,760	USD 7,187,198	06-Sep-19	12,188
USD 4,332,600	INR 306,131,700	06-Sep-19	(65,527)
USD 18,515,532	KRW 21,815,000,000	10-Sep-19	(377,421)
USD 661,992	INR 46,352,000	12-Sep-19	(3,421)
USD 26,117,915	INR 1,834,000,000	16-Sep-19	(196,742)
USD 26,203,361	INR 1,840,000,000	18-Sep-19	(190,569)
USD 5,223,168	AUD 7,277,750	11-Oct-19	99,114
USD 9,865,073	AUD 13,764,279	15-Oct-19	173,160
JPY 921,378,210	USD 8,586,570	21-Oct-19	33,242
USD 40,248,488	AUD 56,000,000	24-Oct-19	808,878
USD 9,623,387	AUD 13,741,485	13-Nov-19	(58,838)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Asian Bond Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
USD	4,527,847	AUD	6,463,735	15-Nov-19	(26,696)
JPY	345,042,910	USD	3,233,611	05-Dec-19	5,880
JPY	1,418,714,000	USD	13,300,774	06-Dec-19	20,107
USD	9,207,127	KRW	10,904,000,000	09-Dec-19	(264,619)
JPY	587,298,000	USD	5,480,945	19-Dec-19	39,115
JPY	288,490,090	USD	2,693,793	20-Dec-19	17,963
JPY	809,781,660	USD	7,636,876	06-Mar-20	11,035
JPY	1,427,773,600	USD	13,433,078	23-Mar-20	65,252
JPY	149,589,650	USD	1,420,104	24-Mar-20	(5,782)
JPY	809,781,670	USD	7,681,494	08-Jun-20	10,131
JPY	288,490,100	USD	2,727,990	22-Jun-20	14,538
JPY	729,043,350	USD	6,963,222	24-Jun-20	(31,735)
					(1,277,480)
					(163,669)

The above contracts were opened with the following counterparties:

Bank of America	119,591
Barclays	123,748
BNP Paribas	(838,441)
Citigroup	(170,402)
Credit Suisse	86,940
Deutsche Bank	(666,299)
Goldman Sachs	(226,612)
HSBC	2,289
JPMorgan	1,172,170
Morgan Stanley	91,968
The Bank of New York Mellon	27,697
Toronto-Dominion Bank	1,225
UBS	112,457
	(163,669)

Templeton Asian Growth Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
CHF	9,019,030	USD	9,108,791	15-Jul-19	143,088
CNH	13,819,654	USD	1,993,213	15-Jul-19	17,950
CZK	184,331,244	USD	8,140,772	15-Jul-19	101,972
EUR	103,176,807	USD	116,760,168	15-Jul-19	707,766
PLN	60,063,890	USD	15,955,952	15-Jul-19	136,838
SGD	594,542	USD	435,387	15-Jul-19	4,102
USD	181,396	CHF	180,912	15-Jul-19	(4,186)
USD	189,521	CZK	4,306,365	15-Jul-19	(3,047)
USD	2,420,102	EUR	2,144,667	15-Jul-19	(21,626)
EUR	8,744,753	HKD	77,532,100	25-Jul-19	38,637
EUR	1,394,205	IDR	22,415,054,700	25-Jul-19	6,945
EUR	4,541,431	INR	357,101,800	25-Jul-19	14,300
EUR	3,921,856	KRW	5,176,262,400	25-Jul-19	(8,629)
EUR	2,556,363	THB	89,313,700	25-Jul-19	456
EUR	2,531,629	TWD	88,969,900	25-Jul-19	6,628
EUR	5,001,850	USD	5,675,800	25-Jul-19	23,760
HKD	2,094,600	EUR	235,495	25-Jul-19	(186)
IDR	22,415,054,700	EUR	1,383,816	25-Jul-19	4,893
TWD	5,903,500	EUR	167,428	25-Jul-19	194
USD	111,300	EUR	97,709	25-Jul-19	(38)
					1,169,817

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Asian Growth Fund (continued)

	Unrealised profit/(loss) USD
The above contracts were opened with the following counterparties:	
Bank of America	111,962
Barclays	81,887
BNP Paribas	109,211
Citigroup	165,323
Deutsche Bank	20,113
Goldman Sachs	94,527
HSBC	103,453
JPMorgan	129,937
Morgan Stanley	93,304
The Bank of New York Mellon	73,186
Toronto-Dominion Bank	98,194
UBS	88,720
	<u>1,169,817</u>

Templeton Asian Smaller Companies Fund

Purchases	Sales	Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:			
EUR	1,483,126	USD	1,678,425
		15-Jul-19	<u>10,130</u>

The above contracts were opened with the following counterparties:

Bank of America	23
Barclays	284
BNP Paribas	23
Citigroup	319
Credit Suisse	69
HSBC	7,557
JPMorgan	97
Morgan Stanley	1,580
Toronto-Dominion Bank	178
	<u>10,130</u>

Templeton BRIC Fund

Purchases	Sales	Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:			
EUR	11,986,709	USD	13,507,373
USD	328,240	EUR	291,457
		10-Jul-19	133,767
		10-Jul-19	<u>(3,445)</u>
			<u>130,322</u>

The above contracts were opened with the following counterparties:

Bank of America	14,308
Barclays	12,274
BNP Paribas	14,850
Citigroup	16,403
Credit Suisse	495
Goldman Sachs	7,651
HSBC	14,762
JPMorgan	15,825
Morgan Stanley	16,857
The Bank of New York Mellon	771
UBS	16,126
	<u>130,322</u>

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Emerging Markets Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	17,811,307	USD	20,159,519	15-Jul-19	118,850
USD	449,573	EUR	399,648	15-Jul-19	(5,430)
					<u>113,420</u>

The above contracts were opened with the following counterparties:

Bank of America	7,926
Barclays	9,460
BNP Paribas	7,623
Citigroup	11,188
Credit Suisse	855
Goldman Sachs	4,320
HSBC	30,491
JPMorgan	21,201
Morgan Stanley	9,167
The Bank of New York Mellon	865
Toronto-Dominion Bank	4,733
UBS	5,591
<u>113,420</u>	

Templeton Emerging Markets Balanced Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	31,599,543	USD	35,474,246	22-Jul-19	523,838
SGD	130,960	USD	95,598	22-Jul-19	1,222
					<u>525,060</u>

Forward foreign exchange contracts used for efficient portfolio management:

USD	439,625	INR	30,719,800	05-Jul-19	(5,499)
USD	526,615	INR	37,108,538	11-Jul-19	(10,651)
USD	84,601	AUD	118,250	15-Jul-19	1,544
USD	350,304	INR	24,740,000	15-Jul-19	(7,698)
USD	723,758	INR	51,750,000	22-Jul-19	(24,399)
USD	927,732	EUR	814,500	23-Jul-19	(223)
USD	74,133	EUR	66,000	31-Jul-19	(1,111)
USD	23,720	EUR	21,100	02-Aug-19	(339)
USD	334,879	INR	23,393,000	14-Aug-19	(2,247)
USD	231,532	INR	16,494,000	20-Aug-19	(5,972)
USD	129,502	EUR	115,158	21-Aug-19	(2,004)
USD	2,432,756	EUR	2,168,000	28-Aug-19	(44,370)
USD	1,076,947	EUR	960,000	03-Sep-19	(20,415)
JPY	68,824,120	USD	640,618	06-Sep-19	1,087
USD	435,851	INR	30,796,200	06-Sep-19	(6,592)
USD	330,579	INR	23,370,276	11-Sep-19	(4,960)
JPY	44,391,179	AUD	590,000	12-Sep-19	(1,052)
USD	66,596	INR	4,663,000	12-Sep-19	(344)
USD	435,945	INR	30,602,675	16-Sep-19	(3,149)
USD	436,902	INR	30,771,000	18-Sep-19	(4,494)
USD	5,133	EUR	4,451	23-Sep-19	37
USD	77,713	EUR	68,442	25-Sep-19	(647)
USD	37,864	EUR	33,000	30-Sep-19	67
USD	470,973	EUR	413,635	08-Oct-19	(3,082)
USD	84,867	AUD	118,250	11-Oct-19	1,610
USD	393,377	AUD	549,497	15-Oct-19	6,458
USD	1,239,110	EUR	1,083,873	15-Oct-19	(3,755)
JPY	154,283,790	USD	1,437,812	21-Oct-19	5,566
USD	289,074	EUR	251,767	23-Oct-19	197
USD	495,919	AUD	690,000	24-Oct-19	9,967

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Emerging Markets Balanced Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
USD	864,264	EUR	754,460	24-Oct-19	(1,471)
USD	136,033	EUR	119,500	25-Oct-19	(1,102)
USD	46,345	EUR	40,957	29-Oct-19	(671)
USD	46,311	EUR	40,957	31-Oct-19	(712)
USD	156,260	AUD	223,127	13-Nov-19	(955)
USD	73,466	AUD	104,877	15-Nov-19	(433)
USD	4,895	EUR	4,283	15-Nov-19	(27)
USD	114,312	EUR	100,689	20-Nov-19	(1,468)
USD	257,134	EUR	226,924	21-Nov-19	(3,825)
USD	872,669	AUD	1,255,000	29-Nov-19	(11,923)
USD	51,406	EUR	45,460	29-Nov-19	(905)
USD	23,222	EUR	20,500	04-Dec-19	(377)
JPY	30,754,750	USD	288,222	05-Dec-19	524
USD	4,780	EUR	4,209	05-Dec-19	(66)
JPY	126,454,400	USD	1,185,539	06-Dec-19	1,792
USD	84,242	EUR	73,655	09-Dec-19	(578)
JPY	98,259,511	AUD	1,310,000	12-Dec-19	(594)
USD	717,446	AUD	1,030,000	16-Dec-19	(8,833)
USD	819,877	EUR	719,446	18-Dec-19	(9,214)
JPY	98,342,000	USD	917,774	19-Dec-19	6,550
JPY	48,307,310	USD	451,072	20-Dec-19	3,008
JPY	72,178,360	USD	680,698	06-Mar-20	983
JPY	40,297,802	AUD	540,000	12-Mar-20	(682)
JPY	17,100,615	AUD	230,000	13-Mar-20	(881)
JPY	239,078,600	USD	2,249,350	23-Mar-20	10,926
JPY	25,048,600	USD	237,795	24-Mar-20	(968)
JPY	72,178,370	USD	684,676	08-Jun-20	903
JPY	65,265,063	AUD	880,000	12-Jun-20	(2,436)
USD	4,891	EUR	4,209	15-Jun-20	(18)
JPY	48,307,300	USD	456,798	22-Jun-20	2,434
JPY	122,077,400	USD	1,165,983	24-Jun-20	(5,314)
					(152,803)
					372,257

The above contracts were opened with the following counterparties:

Bank of America	63,208
Barclays	43,692
BNP Paribas	43,499
Citigroup	65,191
Credit Suisse	9,996
Deutsche Bank	(10,116)
Goldman Sachs	20,782
HSBC	1,179
JPMorgan	74,542
Morgan Stanley	73,948
The Bank of New York Mellon	5,040
Toronto-Dominion Bank	275
UBS	(18,979)
	372,257

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Emerging Markets Bond Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
AUD	642,649,421	USD	444,222,530	15-Jul-19	7,161,876
CHF	4,848,846	USD	4,896,683	15-Jul-19	77,352
EUR	239,640,345	USD	271,192,855	15-Jul-19	1,640,330
GBP	49,827,596	USD	63,237,049	15-Jul-19	97,190
NOK	6,435,018	USD	743,701	15-Jul-19	10,813
PLN	127,341,347	USD	33,775,526	15-Jul-19	342,770
SEK	1,874,677,695	USD	198,282,607	15-Jul-19	3,870,072
SGD	43,486,527	USD	31,838,857	15-Jul-19	306,657
USD	2,995,328	SEK	28,341,101	15-Jul-19	(60,785)
USD	706,184	ZAR	10,009,598	15-Jul-19	(2,763)
ZAR	534,839,682	USD	35,910,328	15-Jul-19	1,970,651
					15,414,163
Forward foreign exchange contracts used for efficient portfolio management:					
USD	87,062,983	INR	6,083,733,500	05-Jul-19	(1,088,968)
USD	74,796,530	INR	5,270,614,929	11-Jul-19	(1,512,700)
USD	18,905,323	AUD	26,424,750	15-Jul-19	345,095
USD	49,753,411	INR	3,513,810,000	15-Jul-19	(1,093,382)
USD	119,620,319	INR	8,543,113,000	22-Jul-19	(3,888,616)
USD	36,659,034	EUR	32,184,715	23-Jul-19	(8,832)
BRL	164,000,000	USD	43,420,704	31-Jul-19	(882,303)
USD	20,040,446	EUR	17,841,960	31-Jul-19	(300,383)
USD	1,679,726	EUR	1,494,200	02-Aug-19	(24,016)
USD	47,564,441	INR	3,322,614,000	14-Aug-19	(319,201)
USD	32,886,501	INR	2,342,785,000	20-Aug-19	(848,200)
USD	28,544,779	EUR	25,379,767	21-Aug-19	(437,845)
JPY	11,650,267,890	USD	108,441,117	06-Sep-19	183,894
USD	86,315,341	INR	6,098,845,500	06-Sep-19	(1,305,455)
USD	46,952,918	INR	3,319,336,510	11-Sep-19	(704,462)
JPY	6,963,358,455	AUD	92,550,000	12-Sep-19	(165,374)
USD	13,188,220	INR	923,426,000	12-Sep-19	(68,157)
USD	61,919,082	INR	4,346,620,883	16-Sep-19	(447,242)
USD	62,053,855	INR	4,370,453,000	18-Sep-19	(638,226)
USD	17,636,774	EUR	15,294,167	23-Sep-19	128,718
USD	19,292,127	EUR	16,990,433	25-Sep-19	(160,576)
USD	10,873,279	EUR	9,479,052	30-Sep-19	16,363
USD	5,133,032	EUR	4,512,000	04-Oct-19	(36,427)
USD	42,810,300	AUD	60,000,000	08-Oct-19	568,896
USD	25,450,546	EUR	22,351,902	08-Oct-19	(166,253)
USD	344,423	EUR	302,389	09-Oct-19	(2,163)
USD	18,964,779	AUD	26,424,750	11-Oct-19	359,872
USD	139,970,069	AUD	195,577,259	15-Oct-19	2,257,258
USD	283,653,314	EUR	248,109,117	15-Oct-19	(850,746)
USD	7,496,141	EUR	6,529,000	16-Oct-19	8,827
JPY	25,200,810,760	USD	234,853,097	21-Oct-19	909,189
USD	79,737,525	EUR	69,443,442	23-Oct-19	58,114
USD	15,740,034	AUD	21,900,000	24-Oct-19	316,329
USD	194,031,044	EUR	169,030,380	24-Oct-19	70,538
USD	33,332,871	EUR	29,281,485	25-Oct-19	(269,915)
USD	3,496,972	EUR	3,090,402	29-Oct-19	(50,605)
USD	47,254,283	EUR	41,744,067	30-Oct-19	(668,857)
USD	6,275,792	EUR	5,551,183	31-Oct-19	(97,587)
USD	6,020,877	EUR	5,317,387	04-Nov-19	(85,972)
USD	34,941,932	AUD	49,894,496	13-Nov-19	(213,640)
USD	16,440,557	AUD	23,469,746	15-Nov-19	(96,934)
USD	161,131,994	EUR	140,984,706	15-Nov-19	(922,693)
USD	57,922,107	EUR	51,038,373	20-Nov-19	(766,665)
USD	88,407,266	EUR	78,003,803	21-Nov-19	(1,295,884)
USD	139,873,301	AUD	200,826,000	29-Nov-19	(1,679,703)
USD	72,277,629	EUR	63,916,391	29-Nov-19	(1,270,914)
USD	232,030,309	EUR	204,961,888	04-Dec-19	(3,910,862)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Emerging Markets Bond Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
JPY	5,206,039,660	USD	48,789,027	05-Dec-19	88,724
USD	16,447,023	EUR	14,483,566	05-Dec-19	(226,980)
JPY	21,405,689,510	USD	200,683,334	06-Dec-19	303,377
USD	25,594,197	EUR	22,366,098	09-Dec-19	(162,472)
USD	14,004,990	EUR	12,200,000	11-Dec-19	(46,645)
JPY	15,404,887,458	AUD	205,380,000	12-Dec-19	(94,153)
USD	42,244,200	AUD	60,000,000	12-Dec-19	(59,515)
USD	20,631,209	AUD	29,870,000	18-Dec-19	(431,859)
USD	87,637,523	EUR	76,917,255	18-Dec-19	(1,001,984)
JPY	16,063,292,000	USD	149,910,287	19-Dec-19	1,069,830
JPY	7,890,549,620	USD	73,678,452	20-Dec-19	491,307
JPY	12,218,061,410	USD	115,225,906	06-Mar-20	166,485
JPY	6,237,204,304	AUD	83,580,000	12-Mar-20	(105,526)
JPY	2,669,182,950	AUD	35,900,000	13-Mar-20	(137,578)
JPY	39,051,319,990	USD	367,410,811	23-Mar-20	1,784,706
JPY	4,091,456,050	USD	38,841,548	24-Mar-20	(158,131)
JPY	12,218,061,530	USD	115,899,099	08-Jun-20	152,856
JPY	10,127,979,168	AUD	136,560,000	12-Jun-20	(377,893)
USD	3,637,199	EUR	3,129,797	15-Jun-20	(13,496)
JPY	7,890,549,630	USD	74,613,786	22-Jun-20	397,642
JPY	19,940,208,950	USD	190,452,474	24-Jun-20	(868,000)
					(20,285,970)
					(4,871,807)

The above contracts were opened with the following counterparties:

Bank of America	(1,023,477)
Barclays	980,675
BNP Paribas	(1,619,908)
Citigroup	(1,161,911)
Credit Suisse	29,261
Deutsche Bank	(2,443,409)
Goldman Sachs	1,288,876
HSBC	(657,698)
JPMorgan	881,488
Morgan Stanley	2,269,856
Standard Chartered	(236,745)
The Bank of New York Mellon	31,746
Toronto-Dominion Bank	328,239
UBS	(3,538,800)
	(4,871,807)

Templeton Emerging Markets Local Currency Bond Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	502,268	USD	563,907	22-Jul-19	8,272
GBP	125,945	USD	158,062	22-Jul-19	2,080
NOK	846,267	USD	96,982	22-Jul-19	2,269
SEK	49,272,711	USD	5,196,896	22-Jul-19	119,253
					131,874
Forward foreign exchange contracts used for efficient portfolio management:					
USD	246,599	INR	17,231,700	05-Jul-19	(3,084)
USD	87,769	INR	6,184,757	11-Jul-19	(1,775)
USD	58,379	INR	4,123,000	15-Jul-19	(1,283)
USD	239,072	INR	17,024,000	22-Jul-19	(7,046)
USD	55,816	INR	3,899,000	14-Aug-19	(375)
USD	38,589	INR	2,749,000	20-Aug-19	(995)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Emerging Markets Local Currency Bond Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
USD	244,478	INR	17,274,300	06-Sep-19	(3,697)
USD	55,096	INR	3,895,046	11-Sep-19	(827)
USD	37,347	INR	2,615,000	12-Sep-19	(193)
USD	72,657	INR	5,100,446	16-Sep-19	(525)
USD	72,824	INR	5,129,000	18-Sep-19	(749)
					<u>(20,549)</u>
					<u>111,325</u>

The above contracts were opened with the following counterparties:

Bank of America	1,551
Barclays	3,086
BNP Paribas	(3,911)
Citigroup	(711)
Goldman Sachs	150
HSBC	101,951
JPMorgan	3,719
Morgan Stanley	2,243
Toronto-Dominion Bank	3,191
UBS	56
	<u>111,325</u>

Templeton Emerging Markets Smaller Companies Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	5,747,004	USD	6,478,162	10-Jul-19	<u>62,055</u>

The above contracts were opened with the following counterparties:

Bank of America	231
Barclays	4,488
BNP Paribas	137
Citigroup	280
Goldman Sachs	3,756
HSBC	12,869
JPMorgan	10,621
Morgan Stanley	26,053
Toronto-Dominion Bank	1,990
UBS	1,630
	<u>62,055</u>

Templeton Euroland Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for share class hedging:					
EUR	132,677	USD	149,818	10-Jul-19	1,028
USD	812,897	EUR	721,573	10-Jul-19	<u>(7,266)</u>
					<u>(6,238)</u>

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Euroland Fund (continued)

	Unrealised profit/(loss) EUR
The above contracts were opened with the following counterparties:	
Bank of America	(74)
Barclays	(523)
BNP Paribas	(565)
Citigroup	(1,750)
Credit Suisse	(297)
Goldman Sachs	(113)
HSBC	(244)
JPMorgan	(689)
Morgan Stanley	(709)
Toronto-Dominion Bank	(313)
UBS	(961)
	<u>(6,238)</u>

Templeton Frontier Markets Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	66,595,464	USD	75,373,976	15-Jul-19	445,697
PLN	22,745,901	USD	6,032,407	15-Jul-19	61,855
USD	278,385	PLN	1,042,469	15-Jul-19	(922)
					<u>506,630</u>

The above contracts were opened with the following counterparties:

Bank of America	46,595
Barclays	54,396
BNP Paribas	37,883
Citigroup	42,847
Goldman Sachs	43,453
HSBC	28,796
JPMorgan	40,706
Morgan Stanley	120,959
The Bank of New York Mellon	26,486
Toronto-Dominion Bank	47,724
UBS	16,785
	<u>506,630</u>

Templeton Global Balanced Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
EUR	15,997,791	USD	18,106,256	15-Jul-19	107,406
GBP	520,998	USD	661,163	15-Jul-19	1,061
					108,467
Forward foreign exchange contracts used for efficient portfolio management:					
USD	4,178,204	INR	291,962,000	05-Jul-19	(52,260)
USD	8,700,936	KRW	9,860,944,739	10-Jul-19	174,719
USD	2,035,761	INR	143,451,986	11-Jul-19	(41,172)
USD	1,354,162	INR	95,637,000	15-Jul-19	(29,759)
USD	5,519,439	KRW	6,245,576,733	19-Jul-19	117,845
USD	4,491,542	INR	320,151,000	22-Jul-19	(136,925)
USD	1,801,761	KRW	2,008,423,267	24-Jul-19	64,494
USD	4,077,091	KRW	4,855,000,000	29-Jul-19	(123,008)
USD	4,670,143	KRW	5,358,055,261	30-Jul-19	34,746
USD	1,294,582	INR	90,433,000	14-Aug-19	(8,688)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Balanced Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
USD	895,078	INR	63,764,000	20-Aug-19	(23,086)
USD	4,142,335	INR	292,688,000	06-Sep-19	(62,649)
USD	1,277,932	INR	90,343,427	11-Sep-19	(19,174)
USD	632,914	INR	44,316,000	12-Sep-19	(3,271)
USD	1,685,270	INR	118,303,285	16-Sep-19	(12,173)
USD	1,688,925	INR	118,951,000	18-Sep-19	(17,370)
USD	5,140,589	KRW	6,088,000,000	09-Dec-19	(147,744)
					(285,475)
					(177,008)

The above contracts were opened with the following counterparties:

Bank of America	11,073
Barclays	12,310
BNP Paribas	(67,645)
Citigroup	(27,196)
Deutsche Bank	49
Goldman Sachs	(136,159)
HSBC	95,694
JPMorgan	(101,737)
Morgan Stanley	10,785
The Bank of New York Mellon	7,088
Toronto-Dominion Bank	9,701
UBS	9,029
	(177,008)

Templeton Global Bond Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
CHF	139,735,697	USD	140,941,109	10-Jul-19	2,332,262
CZK	2,603,600,083	USD	114,121,926	10-Jul-19	2,291,597
EUR	923,161,017	USD	1,039,835,547	10-Jul-19	10,742,016
JPY	4,938,366,066	USD	45,759,070	10-Jul-19	86,777
PLN	101,565,402	USD	26,704,048	10-Jul-19	504,287
SGD	175,145,084	USD	128,397,319	10-Jul-19	1,058,428
USD	3,366,061	CHF	3,287,905	10-Jul-19	(5,083)
USD	12,968,972	EUR	11,390,840	10-Jul-19	5,946
USD	1,528,624	PLN	5,730,440	10-Jul-19	(6,502)
AUD	66,158,032	USD	45,734,327	15-Jul-19	733,781
CHF	45,250,757	USD	45,688,714	15-Jul-19	730,295
EUR	715,702,761	USD	810,043,029	15-Jul-19	4,792,481
GBP	41,053,243	USD	52,096,311	15-Jul-19	85,132
NOK	2,092,164,627	USD	241,838,215	15-Jul-19	3,471,029
SEK	86,467,579	USD	9,144,182	15-Jul-19	179,902
USD	7,983,952	EUR	7,015,753	15-Jul-19	(3,560)
USD	1,686,523	GBP	1,331,592	15-Jul-19	(6,020)
USD	32,427,165	NOK	281,598,571	15-Jul-19	(590,664)
CAD	5,800,330	USD	4,325,080	22-Jul-19	106,091
CHF	11,906,581	USD	11,951,538	22-Jul-19	270,790
CNH	7,022,475	USD	1,012,048	22-Jul-19	9,916
EUR	1,518,263,279	USD	1,704,155,279	22-Jul-19	25,444,831
GBP	134,686,246	USD	168,965,936	22-Jul-19	2,291,441
USD	911,841	GBP	718,653	22-Jul-19	(1,946)
					54,523,227

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Bond Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for efficient portfolio management:					
USD	198,844,918	INR	13,894,762,700	05-Jul-19	(2,487,118)
USD	312,180,508	KRW	353,800,412,997	10-Jul-19	6,268,746
JPY	4,116,972,690	USD	37,758,614	11-Jul-19	464,793
USD	60,124,424	INR	4,236,729,840	11-Jul-19	(1,215,968)
USD	37,315,925	JPY	4,116,972,690	11-Jul-19	(907,482)
JPY	15,664,388,991	USD	143,696,148	12-Jul-19	1,749,106
USD	142,074,183	JPY	15,664,388,991	12-Jul-19	(3,371,072)
USD	8,149,040	AUD	11,390,250	15-Jul-19	148,751
USD	39,993,767	INR	2,824,540,000	15-Jul-19	(878,904)
JPY	11,821,126,656	USD	107,746,486	16-Jul-19	2,048,817
USD	106,816,285	JPY	11,821,126,656	16-Jul-19	(2,979,017)
JPY	21,716,616,198	USD	197,336,772	17-Jul-19	4,384,525
USD	195,248,855	JPY	21,716,616,198	17-Jul-19	(6,472,443)
JPY	12,333,352,306	USD	112,068,835	18-Jul-19	2,502,360
USD	110,911,659	JPY	12,333,352,306	18-Jul-19	(3,659,536)
USD	245,051,336	KRW	277,290,289,525	19-Jul-19	5,232,085
INR	2,961,000,000	USD	42,495,906	22-Jul-19	311,669
USD	184,204,914	INR	13,110,873,000	22-Jul-19	(5,340,741)
USD	147,458,435	EUR	129,460,795	23-Jul-19	(35,525)
USD	79,994,358	KRW	89,169,710,475	24-Jul-19	2,863,401
USD	525,871,379	KRW	625,970,377,248	29-Jul-19	(15,660,621)
USD	149,918,507	KRW	172,001,503,003	30-Jul-19	1,115,408
JPY	65,566,462,000	USD	597,160,337	31-Jul-19	12,542,107
USD	204,945,021	AUD	290,385,000	31-Jul-19	870,655
USD	139,280,830	EUR	124,001,380	31-Jul-19	(2,087,657)
USD	590,730,020	JPY	65,566,462,000	31-Jul-19	(18,972,425)
USD	161,101,582	EUR	143,307,900	02-Aug-19	(2,303,336)
USD	38,234,185	INR	2,670,849,000	14-Aug-19	(256,587)
USD	276,163,921	KRW	326,840,000,000	16-Aug-19	(6,698,106)
USD	26,435,467	INR	1,883,223,000	20-Aug-19	(681,816)
USD	206,888,527	EUR	183,890,701	21-Aug-19	(3,106,907)
USD	85,208,926	KRW	95,514,945,504	26-Aug-19	2,528,110
USD	76,530,416	EUR	68,201,633	28-Aug-19	(1,395,797)
USD	67,008,549	INR	4,777,475,000	28-Aug-19	(1,708,369)
USD	94,990,884	KRW	112,775,077,248	28-Aug-19	(2,636,211)
USD	223,398,253	INR	15,774,099,800	03-Sep-19	(3,312,774)
JPY	20,222,399,970	USD	188,230,835	06-Sep-19	319,202
USD	366,117,585	INR	25,865,195,300	06-Sep-19	(5,482,088)
USD	532,084,960	KRW	626,902,500,000	10-Sep-19	(10,846,024)
USD	37,742,622	INR	2,668,214,664	11-Sep-19	(566,275)
JPY	6,143,254,165	AUD	81,650,000	12-Sep-19	(145,901)
USD	30,120,824	INR	2,109,030,000	12-Sep-19	(155,665)
USD	49,773,020	INR	3,493,986,687	16-Sep-19	(359,511)
USD	97,750,386	EUR	84,766,675	23-Sep-19	713,411
USD	132,993,883	EUR	116,157,923	30-Sep-19	(48,615)
USD	140,793,199	EUR	123,759,009	04-Oct-19	(999,141)
USD	136,389,229	AUD	191,042,450	08-Oct-19	1,890,874
USD	146,188,792	EUR	128,392,735	08-Oct-19	(958,011)
USD	9,600,750	EUR	8,429,068	09-Oct-19	(60,282)
USD	8,174,669	AUD	11,390,250	11-Oct-19	155,121
USD	258,287,916	EUR	225,557,996	11-Oct-19	(276,921)
USD	15,439,509	AUD	21,542,032	15-Oct-19	271,008
USD	328,260,067	EUR	287,118,778	15-Oct-19	(975,948)
USD	145,280,842	EUR	126,504,000	16-Oct-19	208,830
USD	80,281,847	EUR	69,896,000	17-Oct-19	120,439
JPY	34,533,382,300	USD	321,825,827	21-Oct-19	1,245,887
USD	38,843,487	AUD	53,795,000	23-Oct-19	957,670
USD	156,870,280	EUR	136,659,348	23-Oct-19	67,330
USD	317,299,785	EUR	276,708,251	24-Oct-19	(219,895)
USD	147,371,829	EUR	129,459,775	25-Oct-19	(1,193,354)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Bond Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
USD	158,668,455	EUR	140,217,212	29-Oct-19	(2,291,624)
USD	76,149,393	EUR	67,269,782	30-Oct-19	(1,077,851)
USD	378,917,589	AUD	536,254,725	31-Oct-19	1,184,843
USD	175,247,682	EUR	155,027,424	31-Oct-19	(2,741,138)
USD	92,819,792	EUR	81,574,000	06-Nov-19	(879,874)
USD	15,061,255	AUD	21,506,359	13-Nov-19	(92,086)
USD	138,692,708	EUR	121,608,000	14-Nov-19	(1,078,600)
USD	7,086,334	AUD	10,116,109	15-Nov-19	(41,781)
USD	141,354,532	EUR	123,661,102	15-Nov-19	(787,561)
USD	150,933,192	AUD	217,701,000	20-Nov-19	(2,482,897)
USD	147,458,500	EUR	129,967,063	20-Nov-19	(1,989,978)
USD	127,948,624	AUD	185,269,000	21-Nov-19	(2,615,269)
USD	624,276,299	EUR	550,671,224	21-Nov-19	(8,986,976)
USD	37,361,165	AUD	53,795,000	22-Nov-19	(550,433)
USD	370,876,449	AUD	536,254,725	29-Nov-19	(7,104,824)
USD	292,689,507	EUR	258,805,540	29-Nov-19	(5,117,837)
USD	121,605,161	AUD	174,692,450	03-Dec-19	(1,538,681)
USD	8,137,204	EUR	7,200,110	03-Dec-19	(150,533)
USD	288,001,121	EUR	254,140,645	04-Dec-19	(4,552,006)
JPY	9,036,583,300	USD	84,687,428	05-Dec-19	154,007
USD	287,164,798	EUR	252,874,592	05-Dec-19	(3,953,549)
JPY	37,155,747,770	USD	348,343,805	06-Dec-19	526,598
USD	86,231,419	EUR	75,397,674	09-Dec-19	(596,105)
USD	223,729,629	KRW	264,963,000,000	09-Dec-19	(6,430,144)
USD	140,354,107	EUR	122,265,000	11-Dec-19	(467,461)
JPY	13,591,224,293	AUD	181,200,000	12-Dec-19	(83,066)
USD	11,511,545	AUD	16,350,000	12-Dec-19	(16,218)
USD	106,510,950	EUR	92,820,000	16-Dec-19	(438,246)
USD	476,442,758	EUR	418,110,079	18-Dec-19	(5,387,636)
JPY	22,011,983,000	USD	205,426,303	19-Dec-19	1,466,018
JPY	10,812,642,900	USD	100,963,663	20-Dec-19	673,252
JPY	21,207,969,360	USD	200,007,793	06-Mar-20	288,983
JPY	5,502,888,794	AUD	73,740,000	12-Mar-20	(93,103)
JPY	2,354,680,335	AUD	31,670,000	13-Mar-20	(121,368)
JPY	53,513,125,880	USD	503,473,402	23-Mar-20	2,445,633
JPY	5,606,637,740	USD	53,225,670	24-Mar-20	(216,692)
JPY	21,207,969,600	USD	201,176,314	08-Jun-20	265,326
JPY	8,936,146,981	AUD	120,490,000	12-Jun-20	(333,422)
USD	141,231,258	EUR	121,528,980	15-Jun-20	(524,040)
JPY	10,812,642,920	USD	102,245,377	22-Jun-20	544,900
JPY	27,324,631,260	USD	260,982,402	24-Jun-20	(1,189,445)
					(115,856,622)
					(61,333,395)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Bond Fund (continued)

	Unrealised profit/(loss) USD
The above contracts were opened with the following counterparties:	
Bank of America	(5,143,083)
Barclays	(631,583)
BNP Paribas	(4,925,141)
Citigroup	(493,604)
Credit Suisse	2,989,878
Deutsche Bank	(25,564,423)
Goldman Sachs	(20,421,332)
HSBC	5,179,129
JPMorgan	(10,850,348)
Morgan Stanley	6,302,865
Standard Chartered	(9,679,337)
The Bank of New York Mellon	1,091,587
Toronto-Dominion Bank	979,677
UBS	(167,680)
	(61,333,395)

Templeton Global Bond (Euro) Fund

Purchases	Sales	Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for efficient portfolio management:			
BRL 139,970,317	EUR 31,847,626	02-Jul-19	159,226
EUR 31,013,542	BRL 139,970,316	02-Jul-19	(993,310)
EUR 15,468,315	KRW 20,009,008,000	10-Jul-19	265,911
EUR 3,011,292	INR 240,000,000	11-Jul-19	(41,781)
EUR 4,083,898	BRL 17,901,765	15-Jul-19	(316)
EUR 15,167,461	MXN 329,577,687	15-Jul-19	136,555
EUR 1,095,133	COP 3,960,000,000	23-Jul-19	14,872
EUR 6,479,254	USD 7,380,000	23-Jul-19	1,566
EUR 10,144,225	MXN 219,490,600	24-Jul-19	156,852
EUR 20,476,843	USD 23,000,000	31-Jul-19	302,402
EUR 3,047,275	IDR 50,600,000,000	19-Aug-19	(69,878)
EUR 11,611,916	INR 974,239,750	26-Aug-19	(657,527)
EUR 1,272,966	BRL 5,849,025	28-Aug-19	(51,782)
EUR 1,519,885	IDR 25,300,000,000	30-Aug-19	(35,118)
EUR 1,875,336	BRL 8,450,000	03-Sep-19	(36,442)
EUR 19,100,157	MXN 416,620,898	03-Sep-19	338,198
EUR 2,001,324	COP 7,559,000,000	04-Sep-19	(48,550)
EUR 10,036,038	IDR 168,816,202,006	18-Sep-19	(299,713)
EUR 791,384	IDR 13,300,000,000	20-Sep-19	(22,576)
EUR 15,430,908	KRW 20,000,000,000	20-Sep-19	291,754
EUR 10,035,762	IDR 168,500,450,600	23-Sep-19	(270,169)
EUR 22,634,782	MXN 506,283,482	27-Sep-19	(38,404)
EUR 31,341,316	BRL 139,970,316	02-Oct-19	(164,535)
EUR 8,760,284	INR 706,000,000	04-Oct-19	(60,870)
EUR 5,145,126	USD 5,889,626	15-Oct-19	8,967
EUR 5,916,826	COP 22,714,693,750	29-Nov-19	(172,509)
EUR 1,490,869	KRW 2,000,000,000	29-Nov-19	(18,396)
EUR 5,934,530	KRW 7,967,700,000	03-Dec-19	(77,087)
EUR 23,708,620	USD 26,794,000	03-Dec-19	431,096
			(951,564)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Bond (Euro) Fund (continued)

	Unrealised profit/(loss) EUR
The above contracts were opened with the following counterparties:	
Barclays	302,402
BNP Paribas	295,701
Citigroup	(872,160)
Deutsche Bank	(277,282)
HSBC	(197,864)
JPMorgan	(202,361)
	<u>(951,564)</u>

Templeton Global Climate Change Fund

Purchases	Sales	Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for share class hedging:			
USD 132,957	EUR 118,451	22-Jul-19	<u>(1,740)</u>

The above contracts were opened with the following counterparties:

Bank of America	(45)
Barclays	(88)
BNP Paribas	(149)
Citigroup	(399)
HSBC	(46)
JPMorgan	(76)
Morgan Stanley	(937)
	<u>(1,740)</u>

Templeton Global Currency Fund

Purchases	Sales	Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:			
EUR 2,502,921	USD 2,808,855	22-Jul-19	<u>42,463</u>
Forward foreign exchange contracts used for efficient portfolio management:			
JPY 28,150,000	USD 256,320	16-Jul-19	5,139
USD 254,632	JPY 28,150,000	16-Jul-19	(6,827)
INR 19,100,000	USD 269,356	22-Jul-19	6,776
USD 261,172	AUD 370,000	31-Jul-19	1,146
USD 479,548	EUR 423,334	13-Aug-19	(3,574)
JPY 21,532,280	USD 200,424	06-Sep-19	340
USD 162,553	EUR 141,000	20-Sep-19	1,178
USD 303,433	AUD 425,000	08-Oct-19	4,223
USD 256,219	EUR 225,000	08-Oct-19	(1,647)
USD 646,464	EUR 564,444	11-Oct-19	(578)
USD 514,539	EUR 450,000	15-Oct-19	(1,471)
JPY 24,348,870	USD 226,914	21-Oct-19	879
USD 93,434	AUD 130,000	24-Oct-19	1,878
USD 429,886	EUR 380,000	29-Oct-19	(6,328)
USD 300,951	AUD 425,000	01-Nov-19	1,578
USD 514,305	EUR 450,000	15-Nov-19	(2,947)
USD 320,470	EUR 282,222	20-Nov-19	(4,055)
USD 137,873	EUR 122,000	03-Dec-19	(2,556)
JPY 9,621,910	USD 90,173	05-Dec-19	164
JPY 39,562,450	USD 370,907	06-Dec-19	561
USD 257,247	EUR 225,000	09-Dec-19	(1,862)
JPY 15,520,000	USD 144,840	19-Dec-19	1,034
JPY 7,623,720	USD 71,187	20-Dec-19	475
JPY 22,581,680	USD 212,963	06-Mar-20	307
JPY 37,730,690	USD 354,985	23-Mar-20	1,724

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Currency Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
JPY	3,953,100	USD	37,528	24-Mar-20	(153)
JPY	22,581,680	USD	214,207	08-Jun-20	282
JPY	7,623,720	USD	72,091	22-Jun-20	384
JPY	19,265,900	USD	184,012	24-Jun-20	(839)
					(4,769)
					37,694

The above contracts were opened with the following counterparties:

Bank of America	903
Barclays	1,590
BNP Paribas	(839)
Citigroup	33,389
Deutsche Bank	(3,509)
HSBC	3,791
JPMorgan	1,221
Morgan Stanley	227
UBS	921
	37,694

Templeton Global Equity Income Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
CNH	686,812	USD	98,973	22-Jul-19	977

The above contracts were opened with the following counterparties:

Bank of America	183
Barclays	38
BNP Paribas	29
Citigroup	178
Credit Suisse	138
Goldman Sachs	28
JPMorgan	28
Morgan Stanley	198
Toronto-Dominion Bank	157
	977

Templeton Global High Yield Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for efficient portfolio management:					
ARS	28,496,205	USD	584,238	01-Jul-19	83,292
USD	665,177	ARS	28,496,205	01-Jul-19	(2,353)
ARS	14,383,476	USD	290,282	02-Jul-19	46,105
USD	947,152	INR	66,184,500	05-Jul-19	(11,846)
MXN	132,066,099	USD	6,629,824	10-Jul-19	233,326
USD	6,735,838	MXN	132,066,099	10-Jul-19	(127,312)
USD	602,195	INR	42,434,300	11-Jul-19	(12,178)
MXN	3,768,700	USD	190,791	15-Jul-19	4,894
USD	99,267	AUD	138,750	15-Jul-19	1,812
USD	400,569	INR	28,290,000	15-Jul-19	(8,803)
USD	192,463	MXN	3,768,700	15-Jul-19	(3,222)
USD	1,131,296	INR	80,710,000	22-Jul-19	(35,539)
USD	377,259	EUR	331,214	23-Jul-19	(91)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global High Yield Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
MXN	121,319,360	USD	6,176,371	25-Jul-19	112,415
USD	6,186,323	MXN	121,319,360	25-Jul-19	(102,463)
USD	4,549	EUR	4,050	31-Jul-19	(68)
USD	178,086	EUR	158,417	02-Aug-19	(2,546)
USD	382,950	INR	26,751,000	14-Aug-19	(2,570)
USD	264,773	INR	18,862,000	20-Aug-19	(6,829)
USD	242,940	EUR	216,032	21-Aug-19	(3,760)
JPY	90,557,070	USD	842,908	06-Sep-19	1,430
USD	939,013	INR	66,348,500	06-Sep-19	(14,202)
USD	378,023	INR	26,724,343	11-Sep-19	(5,672)
JPY	27,086,116	AUD	360,000	12-Sep-19	(642)
USD	143,475	INR	10,046,000	12-Sep-19	(741)
USD	498,511	INR	34,994,670	16-Sep-19	(3,601)
USD	499,603	INR	35,187,000	18-Sep-19	(5,138)
USD	18,400	EUR	15,956	23-Sep-19	134
USD	81,965	EUR	72,186	25-Sep-19	(682)
USD	1,468,893	EUR	1,286,091	30-Sep-19	(4,142)
USD	471,209	EUR	413,795	08-Oct-19	(3,028)
USD	99,579	AUD	138,750	11-Oct-19	1,890
USD	188,047	AUD	262,373	15-Oct-19	3,300
USD	3,425,699	EUR	2,996,718	15-Oct-19	(10,607)
JPY	149,050,200	USD	1,389,038	21-Oct-19	5,377
USD	500,367	EUR	435,960	23-Oct-19	146
USD	2,508,343	AUD	3,490,000	24-Oct-19	50,410
USD	2,765,948	EUR	2,422,870	24-Oct-19	(14,268)
USD	457,827	EUR	402,211	25-Oct-19	(3,742)
USD	1,424,792	EUR	1,259,094	29-Oct-19	(20,565)
USD	183,440	AUD	261,939	13-Nov-19	(1,121)
USD	86,294	AUD	123,189	15-Nov-19	(509)
USD	136,273	EUR	120,058	20-Nov-19	(1,781)
USD	262,838	EUR	231,988	21-Nov-19	(3,946)
USD	829,520	AUD	1,191,000	29-Nov-19	(9,961)
USD	2,290	EUR	2,025	29-Nov-19	(40)
JPY	40,466,340	USD	379,235	05-Dec-19	690
JPY	166,385,580	USD	1,559,904	06-Dec-19	2,358
USD	473,100	EUR	413,795	09-Dec-19	(3,424)
JPY	60,754,575	AUD	810,000	12-Dec-19	(379)
USD	534,586	EUR	469,100	18-Dec-19	(6,005)
JPY	95,006,000	USD	886,641	19-Dec-19	6,327
JPY	46,668,560	USD	435,770	20-Dec-19	2,906
JPY	94,970,500	USD	895,647	06-Mar-20	1,294
JPY	24,626,434	AUD	330,000	12-Mar-20	(417)
JPY	11,152,575	AUD	150,000	13-Mar-20	(575)
JPY	230,968,680	USD	2,173,048	23-Mar-20	10,555
JPY	24,198,870	USD	229,728	24-Mar-20	(935)
JPY	94,970,510	USD	900,879	08-Jun-20	1,188
JPY	39,307,526	AUD	530,000	12-Jun-20	(1,466)
JPY	46,668,560	USD	441,302	22-Jun-20	2,352
JPY	117,936,130	USD	1,126,429	24-Jun-20	(5,134)
					<u>129,898</u>

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global High Yield Fund (continued)

	Unrealised profit/(loss) USD
The above contracts were opened with the following counterparties:	
Bank of America	(9,961)
Barclays	(104)
BNP Paribas	59,170
Citigroup	1,107
Deutsche Bank	(40,476)
Goldman Sachs	45,241
HSBC	72,646
JPMorgan	26,986
Standard Chartered	(24,711)
	<u>129,898</u>

Templeton Global Income Fund

Purchases	Sales	Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:			
EUR 44,259,259	USD 50,095,706	15-Jul-19	293,956
SGD 104,177	USD 76,288	15-Jul-19	721
USD 8,465,200	EUR 7,438,531	15-Jul-19	(3,650)
			<u>291,027</u>
Forward foreign exchange contracts used for efficient portfolio management:			
USD 3,645,662	INR 254,749,300	05-Jul-19	(45,599)
JPY 18,710,000	USD 170,050	11-Jul-19	3,660
USD 2,854,941	INR 201,176,378	11-Jul-19	(57,739)
USD 169,600	JPY 18,710,000	11-Jul-19	(4,110)
USD 1,274,199	AUD 1,781,000	15-Jul-19	23,259
USD 1,899,058	INR 134,120,000	15-Jul-19	(41,734)
JPY 9,390,000	USD 85,501	16-Jul-19	1,714
USD 84,472	JPY 9,390,000	16-Jul-19	(2,743)
JPY 421,329,000	USD 3,830,893	17-Jul-19	82,746
USD 3,787,701	JPY 421,329,000	17-Jul-19	(125,940)
JPY 305,985,000	USD 2,780,319	18-Jul-19	62,142
USD 2,751,669	JPY 305,985,000	18-Jul-19	(90,792)
USD 3,203,482	KRW 3,624,931,525	19-Jul-19	68,397
USD 4,786,221	INR 341,713,000	22-Jul-19	(153,971)
USD 1,045,742	KRW 1,165,688,475	24-Jul-19	37,432
USD 698,486	KRW 830,010,822	29-Jul-19	(19,563)
JPY 257,180,000	USD 2,354,625	31-Jul-19	36,891
USD 2,317,149	JPY 257,180,000	31-Jul-19	(74,367)
USD 82,396,412	EUR 73,207,742	05-Aug-19	(1,097,609)
USD 48,180,186	GBP 36,861,354	13-Aug-19	1,262,868
USD 2,378,563	INR 166,150,000	14-Aug-19	(15,898)
USD 2,131,564	INR 149,556,000	19-Aug-19	(22,252)
USD 1,255,262	INR 89,423,000	20-Aug-19	(32,375)
USD 6,853,778	EUR 6,094,658	21-Aug-19	(106,065)
USD 627,127	KRW 702,978,356	26-Aug-19	18,607
USD 699,121	KRW 830,010,822	28-Aug-19	(19,402)
USD 931,435	INR 65,736,000	03-Sep-19	(13,347)
JPY 300,649,100	USD 2,798,452	06-Sep-19	4,746
USD 3,614,364	INR 255,382,700	06-Sep-19	(54,664)
USD 1,792,166	INR 126,697,189	11-Sep-19	(26,889)
USD 1,910,481	INR 133,770,000	12-Sep-19	(9,873)
USD 1,884,859	INR 132,277,000	13-Sep-19	(13,819)
USD 2,363,412	INR 165,907,780	16-Sep-19	(17,071)
USD 2,368,565	INR 166,818,000	18-Sep-19	(24,360)
USD 1,775,881	EUR 1,539,999	23-Sep-19	12,961
USD 3,722,627	EUR 3,278,490	25-Sep-19	(30,985)
USD 854,629	EUR 748,276	30-Sep-19	(2,416)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Income Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
USD	496,988	AUD	696,100	08-Oct-19	6,917
USD	1,446,401	EUR	1,270,165	08-Oct-19	(9,295)
USD	422,950	EUR	371,332	09-Oct-19	(2,656)
USD	1,278,206	AUD	1,781,000	11-Oct-19	24,255
USD	6,182,887	EUR	5,398,999	11-Oct-19	(6,170)
USD	2,081,581	AUD	2,904,298	15-Oct-19	36,563
USD	10,820,749	EUR	9,459,818	15-Oct-19	(26,725)
JPY	423,256,230	USD	3,944,438	21-Oct-19	15,271
USD	8,001,202	AUD	11,081,000	23-Oct-19	197,266
USD	12,572,762	EUR	10,946,365	23-Oct-19	12,902
USD	958,270	EUR	839,410	24-Oct-19	(4,943)
USD	1,627,091	EUR	1,437,866	29-Oct-19	(23,485)
USD	6,562,475	EUR	5,797,239	30-Oct-19	(92,888)
USD	1,678,069	EUR	1,482,000	04-Nov-19	(23,961)
USD	2,031,402	AUD	2,900,351	13-Nov-19	(12,180)
USD	784,105	AUD	1,119,351	15-Nov-19	(4,623)
USD	7,237,120	EUR	6,377,209	20-Nov-19	(96,001)
USD	19,311,352	EUR	17,040,647	21-Nov-19	(285,125)
USD	7,695,865	AUD	11,081,000	22-Nov-19	(113,381)
USD	8,938,990	EUR	7,904,259	29-Nov-19	(156,434)
USD	484,562	AUD	696,100	03-Dec-19	(6,131)
JPY	134,348,080	USD	1,259,059	05-Dec-19	2,290
USD	421,228	EUR	371,333	05-Dec-19	(6,263)
JPY	552,399,430	USD	5,178,873	06-Dec-19	7,829
USD	1,452,205	EUR	1,270,165	09-Dec-19	(10,510)
USD	655,128	EUR	574,673	18-Dec-19	(7,126)
JPY	269,788,000	USD	2,517,790	19-Dec-19	17,968
JPY	132,524,470	USD	1,237,455	20-Dec-19	8,252
JPY	315,301,690	USD	2,973,542	06-Mar-20	4,296
JPY	655,880,830	USD	6,170,796	23-Mar-20	29,975
JPY	68,717,400	USD	652,357	24-Mar-20	(2,656)
JPY	315,301,700	USD	2,990,915	08-Jun-20	3,945
JPY	132,524,470	USD	1,253,164	22-Jun-20	6,679
JPY	334,902,600	USD	3,198,714	24-Jun-20	(14,578)
					(1,018,883)
					(727,856)

The above contracts were opened with the following counterparties:

Bank of America	(4,209)
Barclays	38,853
BNP Paribas	(65,849)
Citigroup	(90,163)
Deutsche Bank	(315,692)
Goldman Sachs	(96,352)
HSBC	(65,549)
JPMorgan	(25,955)
Morgan Stanley	34,558
Standard Chartered	(14,400)
The Bank of New York Mellon	11,120
Toronto-Dominion Bank	6,737
UBS	(140,955)
	(727,856)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Total Return Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
BRL	97,987,370	USD	24,700,000	02-Jul-19	781,799
USD	400,000	BRL	1,543,400	02-Jul-19	(1,364)
EUR	1,065,552,962	USD	1,200,293,726	10-Jul-19	12,329,005
GBP	15,886,508	USD	20,197,689	10-Jul-19	(10,090)
JPY	10,466,941,600	USD	96,986,463	10-Jul-19	184,505
PLN	273,292,328	USD	71,834,232	10-Jul-19	1,377,997
USD	16,993,016	EUR	14,957,443	10-Jul-19	(28,883)
CHF	114,426,792	USD	115,534,040	15-Jul-19	1,846,948
EUR	1,003,624,535	USD	1,135,874,392	15-Jul-19	6,763,239
GBP	2,987,245	USD	3,790,288	15-Jul-19	6,703
NOK	2,482,129	USD	286,898	15-Jul-19	4,136
PLN	394,071	USD	104,499	15-Jul-19	1,085
SGD	653,209,344	USD	478,263,282	15-Jul-19	4,593,177
USD	9,618,053	EUR	8,450,692	15-Jul-19	(3,153)
AUD	439,365,607	USD	301,041,175	22-Jul-19	7,638,596
CHF	18,674,648	USD	18,748,445	22-Jul-19	421,433
CNH	240,602,507	USD	34,686,224	22-Jul-19	328,126
EUR	1,116,060,215	USD	1,252,665,662	22-Jul-19	18,746,153
GBP	143,253,082	USD	179,685,187	22-Jul-19	2,465,161
NOK	14,618,467	USD	1,674,494	22-Jul-19	39,956
SEK	98,852,138	USD	10,423,736	22-Jul-19	241,653
USD	378,430	CHF	377,302	22-Jul-19	(8,877)
USD	20,401,716	EUR	17,917,051	22-Jul-19	(9,325)
BRL	96,902,500	USD	25,000,000	02-Aug-19	130,534
					57,838,514

Forward foreign exchange contracts used for efficient portfolio management:

USD	235,254,931	INR	16,438,999,100	05-Jul-19	(2,942,528)
MXN	1,753,525,150	USD	86,836,118	08-Jul-19	4,320,973
USD	89,347,503	MXN	1,753,525,150	08-Jul-19	(1,809,588)
USD	303,048,700	KRW	343,451,152,510	10-Jul-19	6,085,374
JPY	2,972,683,860	USD	27,175,010	11-Jul-19	424,421
USD	139,872,607	INR	9,856,268,103	11-Jul-19	(2,828,812)
USD	26,945,481	JPY	2,972,683,860	11-Jul-19	(653,950)
JPY	7,590,800,000	USD	69,633,659	12-Jul-19	847,599
USD	68,847,671	JPY	7,590,800,000	12-Jul-19	(1,633,587)
USD	31,894,136	AUD	44,579,750	15-Jul-19	582,190
USD	93,040,949	INR	6,570,971,000	15-Jul-19	(2,044,670)
JPY	19,894,500,778	USD	181,149,596	16-Jul-19	3,631,669
MXN	454,357,500	USD	23,211,111	16-Jul-19	376,902
USD	179,931,786	JPY	19,894,500,778	16-Jul-19	(4,849,480)
USD	23,122,990	MXN	454,357,500	16-Jul-19	(465,023)
JPY	21,896,398,506	USD	199,047,144	17-Jul-19	4,344,114
USD	196,842,099	JPY	21,896,398,506	17-Jul-19	(6,549,161)
JPY	24,277,618,513	USD	220,611,500	18-Jul-19	4,916,458
USD	218,324,324	JPY	24,277,618,513	18-Jul-19	(7,203,633)
USD	237,557,229	KRW	268,810,258,211	19-Jul-19	5,072,078
USD	273,195,117	INR	19,486,032,000	22-Jul-19	(8,517,069)
USD	223,817,147	EUR	196,499,752	23-Jul-19	(53,921)
USD	77,547,988	KRW	86,442,741,789	24-Jul-19	2,775,833
USD	282,382,931	KRW	335,555,637,020	29-Jul-19	(7,908,945)
USD	157,445,114	KRW	180,636,779,490	30-Jul-19	1,171,406
JPY	50,166,418,665	USD	458,844,865	31-Jul-19	7,652,598
USD	451,982,785	JPY	50,166,418,665	31-Jul-19	(14,514,677)
USD	263,454,513	EUR	232,571,362	13-Aug-19	(1,963,487)
USD	135,390,703	INR	9,457,346,000	14-Aug-19	(903,243)
USD	175,817,535	INR	12,335,809,000	19-Aug-19	(1,835,453)
USD	61,499,091	INR	4,381,103,000	20-Aug-19	(1,586,168)
USD	212,965,557	EUR	189,336,032	21-Aug-19	(3,248,217)
USD	253,534,168	KRW	284,199,125,959	26-Aug-19	7,522,243
USD	282,639,811	KRW	335,555,637,021	28-Aug-19	(7,843,890)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Total Return Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
USD	67,627,644	INR	4,772,821,000	03-Sep-19	(969,053)
JPY	20,627,692,810	USD	192,003,316	06-Sep-19	325,599
USD	233,234,699	INR	16,479,832,900	06-Sep-19	(3,527,500)
USD	87,803,900	INR	6,207,296,682	11-Sep-19	(1,317,374)
JPY	9,269,429,920	AUD	123,200,000	12-Sep-19	(220,144)
USD	134,252,974	INR	9,400,259,000	12-Sep-19	(693,824)
USD	141,512,670	INR	9,931,200,000	13-Sep-19	(1,037,712)
USD	115,791,244	INR	8,128,360,889	16-Sep-19	(836,361)
USD	116,043,292	INR	8,172,929,000	18-Sep-19	(1,193,509)
USD	72,219,998	EUR	62,627,364	23-Sep-19	527,083
USD	70,317,410	EUR	61,928,021	25-Sep-19	(585,278)
USD	14,406,353	EUR	12,613,584	30-Sep-19	(40,727)
USD	30,032,416	EUR	26,398,875	04-Oct-19	(213,125)
USD	407,755,883	AUD	571,325,850	08-Oct-19	5,529,119
USD	462,627,328	EUR	406,299,048	08-Oct-19	(3,019,003)
USD	212,547,830	EUR	186,608,338	09-Oct-19	(1,334,566)
USD	31,994,441	AUD	44,579,750	11-Oct-19	607,120
USD	515,535,949	EUR	450,131,202	11-Oct-19	(464,824)
USD	74,866,286	AUD	104,459,027	15-Oct-19	1,313,021
USD	642,440,289	EUR	561,864,324	15-Oct-19	(1,843,494)
USD	89,947,772	EUR	78,272,858	16-Oct-19	186,175
USD	50,007,311	EUR	43,538,000	17-Oct-19	75,021
JPY	38,702,227,380	USD	360,676,410	21-Oct-19	1,396,290
USD	68,069,068	AUD	94,270,000	23-Oct-19	1,678,215
USD	250,677,301	EUR	218,289,733	23-Oct-19	211,639
USD	56,170,959	EUR	49,203,713	24-Oct-19	(289,762)
USD	44,335,349	EUR	38,947,402	25-Oct-19	(359,830)
USD	206,652,756	AUD	293,520,000	29-Oct-19	(90,575)
USD	97,438,651	EUR	86,110,928	29-Oct-19	(1,410,994)
USD	31,132,203	EUR	27,501,946	30-Oct-19	(440,659)
USD	19,893,576	EUR	17,599,250	31-Oct-19	(312,331)
USD	9,806,077	EUR	8,618,000	06-Nov-19	(92,956)
USD	218,210,047	EUR	192,155,661	08-Nov-19	(2,543,073)
USD	72,996,643	AUD	104,248,612	13-Nov-19	(456,740)
USD	3,426,032	EUR	3,004,000	14-Nov-19	(26,644)
USD	41,798,038	AUD	59,668,862	15-Nov-19	(246,442)
USD	62,579,794	EUR	54,746,778	15-Nov-19	(348,819)
USD	189,373,488	AUD	273,146,000	20-Nov-19	(3,115,251)
USD	821,259,160	EUR	723,539,398	20-Nov-19	(10,735,190)
USD	160,535,057	AUD	232,454,000	21-Nov-19	(3,281,335)
USD	416,827,583	EUR	367,801,491	21-Nov-19	(6,138,366)
USD	65,471,458	AUD	94,270,000	22-Nov-19	(964,575)
USD	326,215,181	EUR	288,424,102	29-Nov-19	(5,674,221)
USD	171,400,276	AUD	246,225,850	03-Dec-19	(2,168,743)
USD	161,962,971	EUR	143,311,039	03-Dec-19	(2,996,213)
USD	241,996,923	EUR	213,609,919	04-Dec-19	(3,899,398)
JPY	9,217,692,490	USD	86,384,715	05-Dec-19	157,093
USD	397,771,557	EUR	350,484,580	05-Dec-19	(5,718,927)
JPY	37,900,414,950	USD	355,325,233	06-Dec-19	537,151
USD	246,560,006	EUR	215,526,818	09-Dec-19	(1,639,425)
USD	213,969,433	KRW	253,404,000,000	09-Dec-19	(6,149,629)
USD	84,557,490	EUR	73,659,558	11-Dec-19	(281,626)
JPY	20,507,596,300	AUD	273,410,000	12-Dec-19	(125,347)
USD	228,893,157	AUD	325,100,000	12-Dec-19	(322,474)
USD	89,647,290	EUR	78,124,000	16-Dec-19	(368,860)
USD	293,973,920	EUR	257,963,448	18-Dec-19	(3,303,367)
JPY	24,669,254,000	USD	230,225,221	19-Dec-19	1,642,995
JPY	12,117,937,670	USD	113,151,926	20-Dec-19	754,526
JPY	21,633,014,760	USD	204,016,304	06-Mar-20	294,775
JPY	8,303,586,061	AUD	111,270,000	12-Mar-20	(140,487)
JPY	3,553,210,395	AUD	47,790,000	13-Mar-20	(183,144)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 5 — Forward foreign exchange contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Total Return Fund (continued)

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
JPY	59,973,194,270	USD	564,252,371	23-Mar-20	2,740,868
JPY	6,283,467,170	USD	59,651,036	24-Mar-20	(242,850)
JPY	21,633,014,990	USD	205,208,245	08-Jun-20	270,643
JPY	13,484,689,614	AUD	181,820,000	12-Jun-20	(503,135)
USD	61,554,601	EUR	52,967,509	15-Jun-20	(228,399)
JPY	12,117,937,680	USD	114,588,368	22-Jun-20	610,680
JPY	30,623,241,830	USD	292,488,017	24-Jun-20	(1,333,034)
					(94,202,946)
					(36,364,432)

The above contracts were opened with the following counterparties:

Bank of America	(4,015,611)
Barclays	729,664
BNP Paribas	(4,954,459)
Citigroup	(6,313,456)
Credit Suisse	3,982,981
Deutsche Bank	(9,642,278)
Goldman Sachs	(10,627,166)
HSBC	12,485,412
JPMorgan	(22,183,654)
Morgan Stanley	5,182,228
Standard Chartered	(1,376,090)
The Bank of New York Mellon	1,712,905
Toronto-Dominion Bank	1,092,309
UBS	(2,437,217)
	(36,364,432)

Templeton Latin America Fund

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
PLN	24,737,655	USD	6,561,749	15-Jul-19	66,158
BRL	2,062,900	EUR	470,445	25-Jul-19	(716)
EUR	16,056,386	BRL	70,086,600	25-Jul-19	107,660
EUR	6,263,897	MXN	136,134,200	25-Jul-19	80,913
EUR	8,182,640	USD	9,283,100	25-Jul-19	40,941
USD	558,000	EUR	489,383	25-Jul-19	352
					295,308

The above contracts were opened with the following counterparties:

Bank of America	116,512
Barclays	5,831
BNP Paribas	5,255
Citigroup	126,760
Deutsche Bank	5,275
Goldman Sachs	3,980
HSBC	5,974
JPMorgan	8,345
Morgan Stanley	8,045
The Bank of New York Mellon	2,390
Toronto-Dominion Bank	1,569
UBS	5,372
	295,308

Notes to the Financial Statements (continued)

At June 30, 2019

Note 6 — Open positions on financial future contracts

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Brazil Opportunities Fund

Number of contracts purchased/(sold)	Description	Counterparty	Trading currency	Commitment USD	Unrealised profit/(loss) USD
Bond Future (30)	U.S. Treasury 10 Yr. Note Future, Sep. 2019	JPMorgan	USD	(3,839,063)	(30,986)
Currency Future 355	USD/BRL Future, Aug. 2019	CM Capital Markets CCTVM	BRL	17,767,755	(115,143)
Deposit Future 200	BM&F, One-Day Interbank Deposits Future, Jan. 2021	CM Capital Markets CCTVM	BRL	4,773,297	(1,001)
(125)	BM&F, One-Day Interbank Deposits Future, Jan. 2023	CM Capital Markets CCTVM	BRL	(2,595,282)	(393,077)
(210)	BM&F, One-Day Interbank Deposits Future, Jan. 2025	CM Capital Markets CCTVM	BRL	(3,741,358)	(810,610)
					(1,204,688)
Index Future 10	Bovespa Index Future, Aug. 2019	CM Capital Markets CCTVM	BRL	264,230	885
					(1,349,932)

Franklin Diversified Balanced Fund

Number of contracts purchased/(sold)	Description	Counterparty	Trading currency	Commitment EUR	Unrealised profit/(loss) EUR
Bond Future 24	CME Ultra Long Term U.S. Treasury Bond Future, Sep. 2019	JPMorgan	USD	3,748,516	128,278
30	U.S. Treasury Ultra 10 Yr. Note Future, Sep. 2019	JPMorgan	USD	3,644,940	87,782
					216,060
Index Future (50)	Euro STOXX 50 Index Future, Sep. 2019	Goldman Sachs	EUR	(1,733,000)	(49,072)
(5)	Nikkei 225 Index Future, Sep. 2019	Goldman Sachs	JPY	(867,223)	(1,648)
(41)	S&P 500 E-mini Index Future, Sep. 2019	Goldman Sachs	USD	(5,309,065)	(89,163)
					(139,883)
					76,177

Franklin Diversified Conservative Fund

Number of contracts purchased/(sold)	Description	Counterparty	Trading currency	Commitment EUR	Unrealised profit/(loss) EUR
Index Future (43)	Euro STOXX 50 Index Future, Sep. 2019	Goldman Sachs	EUR	(1,490,380)	(42,202)
(4)	Nikkei 225 Index Future, Sep. 2019	Goldman Sachs	JPY	(693,778)	(1,319)
(34)	S&P 500 E-mini Index Future, Sep. 2019	Goldman Sachs	USD	(4,402,639)	(73,940)
					(117,461)

Franklin Diversified Dynamic Fund

Number of contracts purchased/(sold)	Description	Counterparty	Trading currency	Commitment EUR	Unrealised profit/(loss) EUR
Bond Future 13	CME Ultra Long Term U.S. Treasury Bond Future, Sep. 2019	JPMorgan	USD	2,030,446	69,484
16	U.S. Treasury Ultra 10 Yr. Note Future, Sep. 2019	JPMorgan	USD	1,943,968	46,817
					116,301

Franklin Euro Government Bond Fund

Number of contracts purchased/(sold)	Description	Counterparty	Trading currency	Commitment EUR	Unrealised profit/(loss) EUR
Bond Future (35)	Euro-OAT Future, Sep. 2019	JPMorgan	EUR	(5,770,450)	(89,983)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 6 — Open positions on financial future contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin European Total Return Fund

Number of contracts purchased/(sold)	Description	Counterparty	Trading currency	Commitment EUR	Unrealised profit/(loss) EUR
Bond Future (177)	Euro-OAT Future, Sep. 2019	JPMorgan	EUR	(29,181,990)	(455,058)

Franklin Flexible Alpha Bond Fund

Number of contracts purchased/(sold)	Description	Counterparty	Trading currency	Commitment USD	Unrealised profit/(loss) USD
Bond Future (39)	30 day Federal Funds Future, Dec. 2019	JPMorgan	USD	(15,974,215)	(16,313)
307	Australia 3 Yr. Bond Future, Sep. 2019	JPMorgan	AUD	24,781,832	48,037
136	Australia 10 Yr. Bond Future, Sep. 2019	JPMorgan	AUD	13,713,588	128,844
130	Canada 10 Yr. Bond Future, Sep. 2019	JPMorgan	CAD	14,186,600	133,817
(78)	Euro-BOBL Future, Sep. 2019	JPMorgan	EUR	(11,921,373)	(31,100)
(9)	Euro-Bund Future, Sep. 2019	JPMorgan	EUR	(1,767,415)	(15,662)
(19)	U.S. Long Bond Treasury Future, Sep. 2019	JPMorgan	USD	(2,956,281)	(32,683)
(93)	U.S. Treasury 2 Yr. Note Future, Sep. 2019	JPMorgan	USD	(20,011,711)	(32,809)
(199)	U.S. Treasury 5 Yr. Note Future, Sep. 2019	JPMorgan	USD	(23,513,094)	(160,118)
(277)	U.S. Treasury 10 Yr. Note Future, Sep. 2019	JPMorgan	USD	(35,447,344)	(436,612)
(76)	U.S. Treasury Ultra 10 Yr. Note Future, Sep. 2019	JPMorgan	USD	(10,497,500)	(106,438)
					(521,037)

Franklin Global Multi-Asset Income Fund

Number of contracts purchased/(sold)	Description	Counterparty	Trading currency	Commitment EUR	Unrealised profit/(loss) EUR
Bond Future 22	CME Ultra Long Term U.S. Treasury Bond Future, Sep. 2019	JPMorgan	USD	3,436,139	117,588
29	U.S. Treasury Ultra 10 Yr. Note Future, Sep. 2019	JPMorgan	USD	3,523,442	84,856
					202,444
Index Future (73)	Euro STOXX 50 Index Future, Sep. 2019	Goldman Sachs	EUR	(2,530,180)	(71,646)
(7)	Nikkei 225 Index Future, Sep. 2019	Goldman Sachs	JPY	(1,214,112)	(2,308)
(56)	S&P 500 E-mini Index Future, Sep. 2019	Goldman Sachs	USD	(7,251,405)	(121,783)
					(195,737)
					6,707

Franklin K2 Alternative Strategies Fund

Number of contracts purchased/(sold)	Description	Counterparty	Trading currency	Commitment USD	Unrealised profit/(loss) USD
Bond Future 41	CME Ultra Long Term U.S. Treasury Bond Future, Sep. 2019	JPMorgan	USD	7,280,063	161,957
359	Euro BTP Future, Sep. 2019	JPMorgan	EUR	54,823,816	2,293,608
(46)	Euro-BOBL Future, Sep. 2019	JPMorgan	EUR	(7,032,100)	(30,536)
(235)	Euro-Bund Future, Sep. 2019	JPMorgan	EUR	(46,159,318)	(504,362)
6	Euro-BUXL 30 Yr. Bond Future, Sep. 2019	JPMorgan	EUR	1,384,305	39,511
(655)	Euro-Schatz Future, Sep. 2019	JPMorgan	EUR	(83,629,921)	(153,258)
(4)	Japan 10 Yr. Bond Future, Sep. 2019	JPMorgan	JPY	(5,707,926)	(15,590)
(11)	Long Gilt Future, Sep. 2019	JPMorgan	GBP	(1,820,219)	(12,524)
(23)	U.S. Long Bond Treasury Future, Sep. 2019	JPMorgan	USD	(3,578,658)	(86,027)
(625)	U.S. Treasury 5 Yr. Note Future, Sep. 2019	JPMorgan	USD	(73,847,660)	(962,401)
3	U.S. Treasury 10 Yr. Note Future, Sep. 2019	JPMorgan	USD	383,905	(90,803)
155	3-month EURIBOR Future, Dec. 2020	Morgan Stanley	EUR	44,271,919	52,802
594	90 day Eurodollar Future, Dec. 2020	Morgan Stanley	USD	146,190,842	48,840
447	90 day Sterling Future, Dec. 2020	Morgan Stanley	GBP	70,412,072	(31,731)
43	Australia 10 Yr. Bond Future, Sep. 2019	Morgan Stanley	AUD	4,336,534	29,325
242	Canada 10 Yr. Bond Future, Sep. 2019	Morgan Stanley	CAD	26,412,924	236,869
114	Euro-BOBL Future, Sep. 2019	Morgan Stanley	EUR	17,427,379	56,046

Notes to the Financial Statements (continued)

At June 30, 2019

Note 6 — Open positions on financial future contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Number of contracts purchased/(sold)	Description	Counterparty	Trading currency	Commitment USD	Unrealised profit/(loss) USD
130	Euro-Bund Future, Sep. 2019	Morgan Stanley	EUR	25,534,956	132,639
(64)	Euro-Schatz Future, Sep. 2019	Morgan Stanley	EUR	(8,171,473)	(1,753)
17	Japan 10 Yr. Bond Future, Sep. 2019	Morgan Stanley	JPY	24,258,677	39,282
159	Long Gilt Future, Sep. 2019	Morgan Stanley	GBP	26,310,418	145,897
10	mini-10 Yr. JGB Future, Sep. 2019	Morgan Stanley	JPY	1,427,448	2,815
186	U.S. Long Bond Treasury Future, Sep. 2019	Morgan Stanley	USD	28,940,443	1,047,740
45	U.S. Treasury 2 Yr. Note Future, Sep. 2019	Morgan Stanley	USD	9,683,087	62,065
245	U.S. Treasury 5 Yr. Note Future, Sep. 2019	Morgan Stanley	USD	28,948,279	415,857
227	U.S. Treasury 10 Yr. Note Future, Sep. 2019	Morgan Stanley	USD	29,048,910	644,529
22	Australia 10 Yr. Bond Future, Sep. 2019	UBS	AUD	2,218,691	9,770
(120)	Long Gilt Future, Sep. 2019	UBS	GBP	(19,856,938)	(177,576)
(39)	U.S. Treasury 10 Yr. Note Future, Sep. 2019	UBS	USD	(4,990,781)	(102,850)
					<u>3,250,141</u>
Currency Future					
(24)	GBP/USD Future, Sep. 2019	JPMorgan	USD	(1,912,350)	(5,550)
(271)	EUR/USD Future, Sep. 2019	Morgan Stanley	USD	(38,775,019)	(228,175)
(19)	NZD/USD Future, Sep. 2019	Morgan Stanley	USD	(1,278,130)	(26,545)
(30)	AUD/USD Future, Sep. 2019	UBS	USD	(2,110,800)	(33,664)
193	CAD/USD Future, Sep. 2019	UBS	USD	14,775,115	170,510
(205)	CHF/USD Future, Sep. 2019	UBS	USD	(26,450,125)	(468,530)
					<u>(591,954)</u>
Index Future					
229	CAC 40 Index Future, Jul. 2019	JPMorgan	EUR	14,407,704	188,549
10	DAX Index Future, Sep. 2019	JPMorgan	EUR	3,521,598	69,459
245	Euro STOXX 50 Index Future, Sep. 2019	JPMorgan	EUR	9,655,912	288,244
3,842	Euro STOXX Banks Equity Index Future, Sep. 2019	JPMorgan	EUR	19,200,604	597,150
83	JPX-Nikkei 400 Index Future, Sep. 2019	JPMorgan	JPY	1,063,915	4,172
(1)	Nikkei 225 Index Future, Sep. 2019	JPMorgan	JPY	(98,409)	(665)
(254)	Russell 2000 mini Index Future, Sep. 2019	JPMorgan	USD	(19,902,170)	(490,647)
(347)	S&P 500 E-mini Index Future, Sep. 2019	JPMorgan	USD	(51,081,870)	(574,380)
(50)	STOXX Europe 600 Index Future, Sep. 2019	JPMorgan	EUR	(3,517,335)	18,965
(24)	Swiss Market Index Future, Sep. 2019	JPMorgan	CHF	(2,422,372)	13,416
40	Topix Index Future, Sep. 2019	JPMorgan	JPY	5,754,301	14,802
97	CAC 40 Index Future, Jul. 2019	Morgan Stanley	EUR	6,102,825	30,665
30	DAX Index Future, Sep. 2019	Morgan Stanley	EUR	10,564,799	81,826
5	DJIA mini E-cbot Index Future, Sep. 2019	Morgan Stanley	USD	664,825	(3,240)
(241)	Euro STOXX 50 Index Future, Sep. 2019	Morgan Stanley	EUR	(9,498,257)	(75,330)
42	FTSE 100 Index Future, Sep. 2019	Morgan Stanley	GBP	3,930,487	(39,343)
(7)	FTSE MIB Index Future, Sep. 2019	Morgan Stanley	EUR	(841,977)	(4,035)
15	Hang Seng Index Future, Jul. 2019	Morgan Stanley	HKD	2,736,764	31,203
245	MSCI Emerging Markets Index Future, Sep. 2019	Morgan Stanley	USD	12,904,150	510,083
87	Nasdaq 100 E-mini Index Future, Sep. 2019	Morgan Stanley	USD	13,387,125	277,294
(25)	Nikkei 225 Index Future, Sep. 2019	Morgan Stanley	JPY	(4,929,744)	(30,866)
(35)	Russell 2000 mini Index Future, Sep. 2019	Morgan Stanley	USD	(2,742,425)	(48,265)
(191)	S&P 500 E-mini Index Future, Sep. 2019	Morgan Stanley	USD	(28,117,110)	(355,544)
(229)	STOXX Europe 600 Index Future, Sep. 2019	Morgan Stanley	EUR	(1,884,265)	11,626
(184)	Topix Index Future, Sep. 2019	Morgan Stanley	JPY	(26,469,793)	(18,551)
60	DAX Index Future, Sep. 2019	UBS	EUR	21,129,592	326,458
290	FTSE 100 Index Future, Sep. 2019	UBS	GBP	27,138,958	131,617
(69)	FTSE/JSE Africa Top 40 Index Future, Sep. 2019	UBS	ZAR	(2,568,553)	22,626
69	Hang Seng Index Future, Jul. 2019	UBS	HKD	12,589,097	75,599
116	MSCI Singapore Index Future, Jul. 2019	UBS	SGD	3,242,084	28,077
(45)	MSCI Taiwan Index Future, Jul. 2019	UBS	USD	(1,739,250)	(5,397)
3	SPI 200 Index Future, Sep. 2019	UBS	AUD	345,356	4,735
					<u>1,080,303</u>
					<u>3,738,490</u>

Notes to the Financial Statements (continued)

At June 30, 2019

Note 6 — Open positions on financial future contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Global Macro Opportunities Fund

Number of contracts purchased/(sold)	Description	Counterparty	Trading currency	Commitment USD	Unrealised profit/(loss) USD
Bond Future					
1	3-month EURIBOR Future, Dec. 2021	JPMorgan	EUR	285,298	155
2	90 day Bank Bill Future, Dec. 2019	JPMorgan	AUD	1,400,612	806
3	90 day Bank Bill Future, Mar. 2020	JPMorgan	AUD	2,101,332	1,821
3	90 day Bank Bill Future, Jun. 2020	JPMorgan	AUD	2,101,434	2,456
2	90 day Bank Bill Future, Sep. 2020	JPMorgan	AUD	1,400,888	2,405
2	90 day Bank Bill Future, Dec. 2020	JPMorgan	AUD	1,400,784	1,236
2	90 day Bank Bill Future, Mar. 2021	JPMorgan	AUD	1,400,784	411
1	90 day Eurodollar Future, Jun. 2020	JPMorgan	USD	245,950	1,236
1	90 day Eurodollar Future, Sep. 2020	JPMorgan	USD	246,113	1,136
1	90 day Eurodollar Future, Dec. 2020	JPMorgan	USD	246,113	1,536
1	90 day Eurodollar Future, Mar. 2021	JPMorgan	USD	246,175	1,498
1	90 day Eurodollar Future, Jun. 2021	JPMorgan	USD	246,100	2,236
1	90 day Eurodollar Future, Sep. 2021	JPMorgan	USD	246,050	1,123
1	90 day Eurodollar Future, Dec. 2021	JPMorgan	USD	245,963	311
1	90 day Sterling Future, Dec. 2019	JPMorgan	GBP	157,450	142
5	90 day Sterling Future, Sep. 2020	JPMorgan	GBP	787,805	749
7	90 day Sterling Future, Dec. 2020	JPMorgan	GBP	1,102,711	(31)
5	90 day Sterling Future, Mar. 2021	JPMorgan	GBP	787,685	416
6	90 day Sterling Future, Jun. 2021	JPMorgan	GBP	945,078	1,105
4	90 day Sterling Future, Sep. 2021	JPMorgan	GBP	629,928	194
6	90 day Sterling Future, Dec. 2021	JPMorgan	GBP	944,604	(46)
2	Australia 10 Yr. Bond Future, Sep. 2019	JPMorgan	AUD	201,700	1,231
11	Australia 3 Yr. Bond Future, Sep. 2019	JPMorgan	AUD	888,074	1,553
6	Canada 10 Yr. Bond Future, Sep. 2019	JPMorgan	CAD	654,864	5,912
1	CME Ultra Long Term U.S. Treasury Bond Future, Sep. 2019	JPMorgan	USD	177,563	4,451
1	Euro BTP Future, Sep. 2019	JPMorgan	EUR	152,713	5,627
4	Euro-BOBL Future, Sep. 2019	JPMorgan	EUR	611,488	2,427
2	Euro-Bund Future, Sep. 2019	JPMorgan	EUR	392,846	4,113
3	Euro-OAT Future, Sep. 2019	JPMorgan	EUR	562,422	8,682
1	Euro-Schatz Future, Sep. 2019	JPMorgan	EUR	127,679	49
4	Long Gilt Future, Sep. 2019	JPMorgan	GBP	661,896	2,663
2	mini-10 Yr. JGB Future, Sep. 2019	JPMorgan	JPY	285,490	739
2	U.S. Long Bond Treasury Future, Sep. 2019	JPMorgan	USD	311,188	5,621
1	U.S. Treasury 2 Yr. Note Future, Sep. 2019	JPMorgan	USD	215,180	1,076
2	U.S. Treasury 5 Yr. Note Future, Sep. 2019	JPMorgan	USD	236,312	2,863
3	U.S. Treasury 10 Yr. Note Future, Sep. 2019	JPMorgan	USD	383,907	4,135
(1)	U.S. Treasury Ultra 10 Yr. Note Future, Sep. 2019	JPMorgan	USD	(138,125)	(3,705)
27	90 day Eurodollar Future, Dec. 2020	Morgan Stanley	USD	6,645,040	6,369
14	Canada 10 Yr. Bond Future, Sep. 2019	Morgan Stanley	CAD	1,528,020	15,491
5	Euro-Bund Future, Sep. 2019	Morgan Stanley	EUR	982,115	4,851
8	Long Gilt Future, Sep. 2019	Morgan Stanley	GBP	1,323,795	9,796
9	U.S. Long Bond Treasury Future, Sep. 2019	Morgan Stanley	USD	1,400,344	58,557
12	U.S. Treasury 5 Yr. Note Future, Sep. 2019	Morgan Stanley	USD	1,417,877	13,764
11	U.S. Treasury 10 Yr. Note Future, Sep. 2019	Morgan Stanley	USD	1,407,658	9,982
					187,142
Currency Future					
(2)	AUD/USD Future, Sep. 2019	JPMorgan	USD	(140,720)	(2,894)
(2)	CAD/USD Future, Sep. 2019	JPMorgan	USD	(153,110)	(2,713)
(2)	EUR/USD Future, Sep. 2019	JPMorgan	USD	(286,162)	(1,547)
(19)	GBP/USD Future, Sep. 2019	JPMorgan	USD	(1,513,943)	(1,405)
2	JPY/USD Future, Sep. 2019	JPMorgan	USD	233,275	797
6	MXN/USD Future, Sep. 2019	JPMorgan	USD	154,380	(50)
(5)	NZD/USD Future, Sep. 2019	JPMorgan	USD	(336,350)	(7,164)
(16)	AUD/USD Future, Sep. 2019	Morgan Stanley	USD	(1,125,760)	(12,933)
(2)	CAD/USD Future, Sep. 2019	Morgan Stanley	USD	(153,110)	(2,294)
(44)	EUR/USD Future, Sep. 2019	Morgan Stanley	USD	(6,295,575)	(23,032)
(4)	MXN/USD Future, Sep. 2019	Morgan Stanley	USD	(102,920)	(47)
(3)	ZAR/USD Future, Sep. 2019	Morgan Stanley	USD	(105,413)	(4,394)
					(57,676)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 6 — Open positions on financial future contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Global Macro Opportunities Fund (continued)

Number of contracts purchased/(sold)	Description	Counterparty	Trading currency	Commitment USD	Unrealised profit/(loss) USD
Index Future					
1	Amsterdam Index Future, Jul. 2019	JPMorgan	EUR	127,567	3,075
2	CAC 40 Index Future, Jul. 2019	JPMorgan	EUR	125,832	2,660
1	DJIA mini E-cbot Index Future, Sep. 2019	JPMorgan	USD	132,965	2,308
4	Euro STOXX 50 Index Future, Sep. 2019	JPMorgan	EUR	157,648	3,066
1	FTSE 100 Index Future, Sep. 2019	JPMorgan	GBP	93,583	983
1	FTSE MIB Index Future, Sep. 2019	JPMorgan	EUR	120,282	572
1	FTSE/JSE Africa Top 40 Index Future, Sep. 2019	JPMorgan	ZAR	37,225	(144)
1	MSCI EAFE Index Future, Sep. 2019	JPMorgan	USD	96,165	408
3	MSCI Emerging Markets Index Future, Sep. 2019	JPMorgan	USD	158,010	3,654
1	Nasdaq 100 E-mini Index Future, Sep. 2019	JPMorgan	USD	153,875	433
9	OMXS 30 Index Future, Jul. 2019	JPMorgan	SEK	157,078	1,841
0	S&P 500 E-mini Index Future, Sep. 2019	JPMorgan	USD	0	481
1	S&P/TSX 60 IX Index Future, Sep. 2019	JPMorgan	CAD	149,318	628
2	SPI 200 Index Future, Sep. 2019	JPMorgan	AUD	230,237	2,279
5	CAC 40 Index Future, Jul. 2019	Morgan Stanley	EUR	314,580	1,223
1	DAX Index Future, Sep. 2019	Morgan Stanley	EUR	352,160	2,642
1	DJIA mini E-cbot Index Future, Sep. 2019	Morgan Stanley	USD	132,965	(242)
15	Euro STOXX 50 Index Future, Sep. 2019	Morgan Stanley	EUR	591,178	4,681
10	FTSE 100 Index Future, Sep. 2019	Morgan Stanley	GBP	935,826	(2,137)
2	Hang Seng Index Future, Jul. 2019	Morgan Stanley	HKD	364,902	1,485
1	Nasdaq 100 E-mini Index Future, Sep. 2019	Morgan Stanley	USD	153,875	(1,482)
2	Nikkei 225 Index Future, Sep. 2019	Morgan Stanley	JPY	394,380	2,499
(1)	Russell 2000 mini Index Future, Sep. 2019	Morgan Stanley	USD	(78,355)	(2,037)
5	Topix Index Future, Sep. 2019	Morgan Stanley	JPY	719,289	(685)
					28,191
					157,657

Franklin K2 Long Short Credit Fund

Number of contracts purchased/(sold)	Description	Counterparty	Trading currency	Commitment USD	Unrealised profit/(loss) USD
Bond Future					
1	U.S. Long Bond Treasury Future, Sep. 2019	JPMorgan	USD	155,594	4,497
Index Future					
(1)	S&P 500 E-mini Index Future, Sep. 2019	JPMorgan	USD	(147,210)	(2,477)
					2,020

Franklin Strategic Income Fund

Number of contracts purchased/(sold)	Description	Counterparty	Trading currency	Commitment USD	Unrealised profit/(loss) USD
Bond Future					
81	U.S. Treasury 5 Yr. Note Future, Sep. 2019	JPMorgan	USD	9,570,656	20,082
68	U.S. Treasury 10 Yr. Note Future, Sep. 2019	JPMorgan	USD	8,701,875	166,719
142	U.S. Treasury Ultra 10 Yr. Note Future, Sep. 2019	JPMorgan	USD	19,613,750	133,625
					320,426

Franklin U.S. Low Duration Fund

Number of contracts purchased/(sold)	Description	Counterparty	Trading currency	Commitment USD	Unrealised profit/(loss) USD
Bond Future					
158	Australia 3 Yr. Bond Future, Sep. 2019	JPMorgan	AUD	12,754,167	4,192
43	Australia 10 Yr. Bond Future, Sep. 2019	JPMorgan	AUD	4,335,914	3,439
32	Canada 10 Yr. Bond Future, Sep. 2019	JPMorgan	CAD	3,492,086	32,940
(50)	Euro-BOBL Future, Sep. 2019	JPMorgan	EUR	(7,641,906)	(19,936)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 6 — Open positions on financial future contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin U.S. Low Duration Fund (continued)

Number of contracts purchased/(sold)	Description	Counterparty	Trading currency	Commitment USD	Unrealised profit/(loss) USD
(34)	Euro-Bund Future, Sep. 2019	JPMorgan	EUR	(6,676,902)	(59,167)
(11)	U.S. Long Bond Treasury Future, Sep. 2019	JPMorgan	USD	(1,711,531)	(18,922)
884	U.S. Treasury 2 Yr. Note Future, Sep. 2019	JPMorgan	USD	190,218,844	1,117,734
(81)	U.S. Treasury 5 Yr. Note Future, Sep. 2019	JPMorgan	USD	(9,570,656)	(65,174)
(57)	U.S. Treasury 10 Yr. Note Future, Sep. 2019	JPMorgan	USD	(7,294,219)	(59,750)
(22)	U.S. Treasury Ultra 10 Yr. Note Future, Sep. 2019	JPMorgan	USD	(3,038,750)	(30,811)
					<u>904,545</u>

Note 7 — Open positions on interest rate swap contracts

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Flexible Alpha Bond Fund

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
6,040,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.7125%	Citigroup	29-Mar-23	USD	(212,795)
18,500,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.806%	Citigroup	17-Apr-23	USD	(727,541)
					<u>(940,336)</u>

Franklin Global Fundamental Strategies Fund

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
1,010,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 4.34675%	Citigroup	25-Feb-41	USD	(387,039)
9,042,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.97981%	Citigroup	20-Feb-48	USD	(1,519,792)
9,042,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.002%	Citigroup	22-Feb-48	USD	(1,564,250)
9,042,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.019%	Citigroup	23-Feb-48	USD	(1,597,944)
600,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.523%	Deutsche Bank	28-Mar-21	USD	(17,450)
430,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.775%	Deutsche Bank	04-Oct-23	USD	(18,276)
430,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.795%	Deutsche Bank	04-Oct-23	USD	(18,629)
210,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.668%	Deutsche Bank	04-Oct-43	USD	(59,739)
210,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.68655%	Deutsche Bank	04-Oct-43	USD	(60,495)
430,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.765%	HSBC	07-Oct-23	USD	(18,142)
210,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.675%	HSBC	07-Oct-43	USD	(60,029)
330,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.5575%	JPMorgan	04-Mar-21	USD	(9,240)
5,610,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.7305%	JPMorgan	07-Jul-24	USD	(261,932)
9,452,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.91422%	JPMorgan	22-Jan-25	USD	(64,790)
29,540,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.96953%	JPMorgan	23-Jan-25	USD	(289,098)
17,440,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.973%	JPMorgan	27-Jan-25	USD	(173,321)
4,360,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.9367%	JPMorgan	29-Jan-25	USD	(35,068)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 7 — Open positions on interest rate swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Global Fundamental Strategies Fund (continued)

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
3,690,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.94152%	JPMorgan	30-Jan-25	USD	(30,396)
5,820,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.81667%	JPMorgan	03-Feb-25	USD	(8,685)
830,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 4.215%	JPMorgan	11-Jan-41	USD	(297,653)
1,010,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 4.3494%	JPMorgan	25-Feb-41	USD	(387,515)
760,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 4.3201%	JPMorgan	28-Feb-41	USD	(287,699)
250,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 4.299%	JPMorgan	01-Mar-41	USD	(93,748)
30,700,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.3782%	JPMorgan	18-Nov-46	USD	(1,077,378)
10,100,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.7935%	JPMorgan	13-Mar-47	USD	(1,256,843)
3,300,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.537%	JPMorgan	13-Apr-47	USD	(230,216)
1,000,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.5873%	JPMorgan	27-Jul-47	USD	(81,239)
3,640,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.2455%	JPMorgan	21-Nov-48	USD	(840,092)
					<u>(10,746,698)</u>

Franklin K2 Alternative Strategies Fund

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
1,258,000	Receiving floating rate 6-month GBP LIBOR Paying fixed rate 1.41%	JPMorgan	04-Aug-67	GBP	(116,698)
2,256,984	Receiving floating rate 6-month GBP LIBOR Paying fixed rate 1.47%	JPMorgan	18-Sep-69	GBP	(280,634)
					<u>(397,332)</u>

Franklin K2 Global Macro Opportunities Fund

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
27,440,000	Receiving fixed rate 1.925%				
	Paying floating rate 6-month SGD SOR	JPMorgan	20-Feb-20	SGD	21,730
80,000,000	Receiving fixed rate 2.05%				
	Paying floating rate 3-month HKD HIBOR	JPMorgan	14-Aug-20	HKD	17,363
5,134,608	Receiving floating rate 6-month SGD SOR Paying fixed rate 1.9375%	JPMorgan	20-Feb-21	SGD	(11,502)
57,500,000	Receiving fixed rate 1.73%				
	Paying floating rate 6-month THBFX	JPMorgan	21-Aug-21	THB	8,212
10,100,000,000	Receiving fixed rate 1.623%				
	Paying floating rate 3-month CD KSDA	JPMorgan	19-Nov-21	KRW	36,996
1,520,000	Receiving fixed rate 2.1%				
	Paying floating rate 3-month ZNZD BBR	JPMorgan	20-Feb-24	NZD	36,471
17,500,000	Receiving floating rate 3-month HKD HIBOR Paying fixed rate 2.27%	JPMorgan	14-May-24	HKD	(61,867)
23,000,000	Receiving floating rate 6-month THBFX Paying fixed rate 1.855%	JPMorgan	21-Aug-24	THB	(8,092)
4,100,000,000	Receiving floating rate 3-month CD KSDA Paying fixed rate 1.619%	JPMorgan	19-Nov-24	KRW	(39,389)
59,000	Receiving floating rate 6-month GBP LIBOR Paying fixed rate 1.41%	JPMorgan	04-Aug-67	GBP	(5,473)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 7 — Open positions on interest rate swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Global Macro Opportunities Fund (continued)

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
63,672	Receiving floating rate 6-month GBP LIBOR Paying fixed rate 1.47%	JPMorgan	18-Sep-69	GBP	(7,917)
					(13,468)

Franklin K2 Long Short Credit Fund

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
2,024,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.75%	JPMorgan	21-Mar-20	USD	(16,619)
1,000,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.25%	JPMorgan	19-Sep-20	USD	(21,045)
1,200,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.75%	JPMorgan	18-Sep-21	USD	796
1,012,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2%	JPMorgan	21-Mar-23	USD	(25,577)
1,023,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.25%	JPMorgan	21-Mar-28	USD	(45,509)
227,000	Receiving floating rate 6-month GBP LIBOR Paying fixed rate 1.41%	JPMorgan	04-Aug-67	GBP	(21,058)
70,899	Receiving floating rate 6-month GBP LIBOR Paying fixed rate 1.47%	JPMorgan	18-Sep-69	GBP	(8,816)
					(137,828)

Templeton Asian Bond Fund

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
7,640,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.97981%	Citigroup	20-Feb-48	USD	(1,284,165)
7,640,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.002%	Citigroup	22-Feb-48	USD	(1,321,730)
7,640,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.019%	Citigroup	23-Feb-48	USD	(1,350,200)
23,500,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.765%	HSBC	07-Oct-23	USD	(991,483)
11,430,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.675%	HSBC	07-Oct-43	USD	(3,267,315)
25,800,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.61313%	JPMorgan	26-Jan-47	USD	(2,206,185)
44,400,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.6782%	JPMorgan	27-Jan-47	USD	(4,413,554)
4,000,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.5873%	JPMorgan	27-Jul-47	USD	(324,056)
					(15,158,688)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 7 — Open positions on interest rate swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Emerging Markets Balanced Fund

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
230,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.97981%	Citigroup	20-Feb-48	USD	(38,805)
230,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.002%	Citigroup	22-Feb-48	USD	(39,936)
230,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.019%	Citigroup	23-Feb-48	USD	(40,793)
340,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.018%	JPMorgan	22-Aug-23	USD	(17,322)
960,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.91422%	JPMorgan	22-Jan-25	USD	(6,580)
1,200,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.96953%	JPMorgan	23-Jan-25	USD	(11,744)
700,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.973%	JPMorgan	27-Jan-25	USD	(6,957)
180,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.9367%	JPMorgan	29-Jan-25	USD	(1,448)
150,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.94152%	JPMorgan	30-Jan-25	USD	(1,236)
230,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.81667%	JPMorgan	03-Feb-25	USD	(343)
200,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.848%	JPMorgan	22-Aug-43	USD	(63,622)
					<u>(228,786)</u>

Templeton Emerging Markets Bond Fund

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
62,460,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.44%	Citigroup	21-Apr-21	USD	(1,787,194)
73,706,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.97981%	Citigroup	20-Feb-48	USD	(12,387,880)
73,706,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.002%	Citigroup	22-Feb-48	USD	(12,750,286)
73,706,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.019%	Citigroup	23-Feb-48	USD	(13,024,944)
10,460,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.775%	Deutsche Bank	04-Oct-23	USD	(444,567)
10,460,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.795%	Deutsche Bank	04-Oct-23	USD	(453,167)
5,090,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.668%	Deutsche Bank	04-Oct-43	USD	(1,447,949)
5,090,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.68655%	Deutsche Bank	04-Oct-43	USD	(1,466,281)
10,460,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.765%	HSBC	07-Oct-23	USD	(441,315)
5,090,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.675%	HSBC	07-Oct-43	USD	(1,454,999)
217,280,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.91422%	JPMorgan	22-Jan-25	USD	(1,489,378)
271,610,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.96953%	JPMorgan	23-Jan-25	USD	(2,658,155)
160,300,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.973%	JPMorgan	27-Jan-25	USD	(1,593,082)
40,070,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.9367%	JPMorgan	29-Jan-25	USD	(322,288)
33,930,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.94152%	JPMorgan	30-Jan-25	USD	(279,494)
111,000,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.43%	JPMorgan	25-Nov-46	USD	(5,116,338)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 7 — Open positions on interest rate swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Emerging Markets Bond Fund (continued)

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
114,600,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.7935%	JPMorgan	13-Mar-47	USD	(14,257,712)
					(71,375,029)

Templeton Global Bond Fund

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
34,400,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 4.3675%	Citigroup	20-Dec-40	USD	(13,237,863)
186,490,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 4.34675%	Citigroup	25-Feb-41	USD	(71,464,286)
187,632,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.97981%	Citigroup	20-Feb-48	USD	(31,534,825)
187,632,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.002%	Citigroup	22-Feb-48	USD	(32,457,395)
187,632,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.019%	Citigroup	23-Feb-48	USD	(33,156,587)
94,430,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.5575%	JPMorgan	04-Mar-21	USD	(2,643,902)
290,840,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.91422%	JPMorgan	22-Jan-25	USD	(1,993,606)
536,430,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.973%	JPMorgan	27-Jan-25	USD	(5,331,111)
134,110,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.9367%	JPMorgan	29-Jan-25	USD	(1,078,663)
113,540,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.94152%	JPMorgan	30-Jan-25	USD	(935,270)
178,930,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.81667%	JPMorgan	03-Feb-25	USD	(267,005)
263,000,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.9625%	JPMorgan	23-Nov-40	USD	(82,151,101)
31,200,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 4.153%	JPMorgan	10-Dec-40	USD	(10,810,680)
194,540,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 4.215%	JPMorgan	11-Jan-41	USD	(69,765,668)
186,490,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 4.3494%	JPMorgan	25-Feb-41	USD	(71,552,112)
139,860,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 4.3201%	JPMorgan	28-Feb-41	USD	(52,944,252)
46,620,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 4.299%	JPMorgan	01-Mar-41	USD	(17,482,065)
227,900,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.61313%	JPMorgan	26-Jan-47	USD	(19,485,613)
392,400,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.6782%	JPMorgan	27-Jan-47	USD	(39,003,926)
46,600,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.537%	JPMorgan	13-Apr-47	USD	(3,246,995)
					(560,542,925)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 7 — Open positions on interest rate swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Bond (Euro) Fund

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) EUR
3,504,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.97981%	Citigroup	20-Feb-48	USD	(518,129)
3,504,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.002%	Citigroup	22-Feb-48	USD	(533,284)
3,504,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.019%	Citigroup	23-Feb-48	USD	(544,771)
25,539,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.9965%	HSBC	28-Apr-25	USD	(248,116)
13,890,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.3865%	HSBC	28-Apr-45	USD	(441,130)
10,700,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.3782%	JPMorgan	18-Nov-46	USD	(330,490)
7,300,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.7935%	JPMorgan	13-Mar-47	USD	(799,154)
14,300,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.5873%	JPMorgan	27-Jul-47	USD	(1,018,358)
					(4,433,432)

Templeton Global High Yield Fund

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
1,330,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.44%	Citigroup	21-Apr-21	USD	(38,056)
1,860,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.9367%	JPMorgan	29-Jan-25	USD	(14,960)
1,580,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.94152%	JPMorgan	30-Jan-25	USD	(13,015)
2,490,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.81667%	JPMorgan	03-Feb-25	USD	(3,716)
4,670,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.9975%	JPMorgan	25-Apr-28	USD	(414,584)
476,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.97981%	JPMorgan	20-Feb-48	USD	(80,299)
476,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.002%	JPMorgan	22-Feb-48	USD	(82,639)
476,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.019%	JPMorgan	23-Feb-48	USD	(84,413)
2,060,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.024%	JPMorgan	25-Apr-48	USD	(368,522)
					(1,100,204)

Templeton Global Income Fund

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
1,924,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.97981%	Citigroup	20-Feb-48	USD	(323,507)
1,924,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.002%	Citigroup	22-Feb-48	USD	(332,967)
1,924,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.019%	Citigroup	23-Feb-48	USD	(340,136)
1,430,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.018%	JPMorgan	22-Aug-23	USD	(72,856)
22,820,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.7305%	JPMorgan	07-Jul-24	USD	(1,065,471)
20,030,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.91422%	JPMorgan	22-Jan-25	USD	(137,299)
25,040,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.96953%	JPMorgan	23-Jan-25	USD	(245,058)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 7 — Open positions on interest rate swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Income Fund (continued)

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
14,780,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.973%	JPMorgan	27-Jan-25	USD	(146,886)
3,700,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.9367%	JPMorgan	29-Jan-25	USD	(29,760)
3,130,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.94152%	JPMorgan	30-Jan-25	USD	(25,783)
4,930,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.81667%	JPMorgan	03-Feb-25	USD	(7,357)
820,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.848%	JPMorgan	22-Aug-43	USD	(260,849)
11,100,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.537%	JPMorgan	13-Apr-47	USD	(773,654)
3,400,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.5873%	JPMorgan	27-Jul-47	USD	(275,492)
					<u>(4,037,075)</u>

Templeton Global Total Return Fund

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
45,640,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 4.34675%	Citigroup	25-Feb-41	USD	(17,489,571)
217,542,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.97981%	Citigroup	20-Feb-48	USD	(36,561,642)
217,542,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.002%	Citigroup	22-Feb-48	USD	(37,631,276)
217,542,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.019%	Citigroup	23-Feb-48	USD	(38,441,925)
88,240,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.523%	Deutsche Bank	28-Mar-21	USD	(2,566,332)
234,540,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.668%	Deutsche Bank	04-Oct-43	USD	(66,719,455)
234,540,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.68655%	Deutsche Bank	04-Oct-43	USD	(67,564,158)
234,540,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.675%	HSBC	07-Oct-43	USD	(67,044,284)
83,070,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 3.0755%	JPMorgan	14-Jun-21	USD	(2,015,174)
202,130,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.91422%	JPMorgan	22-Jan-25	USD	(1,385,530)
252,660,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.96953%	JPMorgan	23-Jan-25	USD	(2,472,697)
149,110,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.973%	JPMorgan	27-Jan-25	USD	(1,481,875)
37,280,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.9367%	JPMorgan	29-Jan-25	USD	(299,847)
31,560,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.94152%	JPMorgan	30-Jan-25	USD	(259,971)
49,740,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.81667%	JPMorgan	03-Feb-25	USD	(74,224)
161,368,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.0362%	JPMorgan	23-Mar-25	USD	(2,186,619)
541,800,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.9777%	JPMorgan	27-Mar-25	USD	(5,649,473)
541,800,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 1.985%	JPMorgan	27-Mar-25	USD	(5,866,047)
45,640,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 4.3494%	JPMorgan	25-Feb-41	USD	(17,511,064)
34,230,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 4.3201%	JPMorgan	28-Feb-41	USD	(12,957,827)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 7 — Open positions on interest rate swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Total Return Fund (continued)

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
11,410,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 4.299%	JPMorgan	01-Mar-41	USD	(4,278,644)
330,000,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.61313%	JPMorgan	26-Jan-47	USD	(28,215,102)
568,200,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.6782%	JPMorgan	27-Jan-47	USD	(56,478,028)
51,300,000	Receiving floating rate 3-month USD BBA LIBOR Paying fixed rate 2.5873%	JPMorgan	27-Jul-47	USD	(4,152,469)
					<u>(479,303,234)</u>

Note 8 — Open positions on inflation swap contracts

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Flexible Alpha Bond Fund

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
7,000,000	Receiving floating rate US CPI Urban Consumers NSA Paying fixed rate 2.103%	Citigroup	11-Dec-25	USD	(124,985)
3,000,000	Receiving floating rate US CPI Urban Consumers NSA Paying fixed rate 2.356%	Citigroup	12-Oct-26	USD	(128,067)
4,000,000	Receiving floating rate US CPI Urban Consumers NSA Paying fixed rate 1.782%	JPMorgan	27-May-24	USD	59,714
					<u>(193,338)</u>

Franklin U.S. Low Duration Fund

Notional amount	Description	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
8,700,000	Receiving floating rate US CPI Urban Consumers NSA Paying fixed rate 1.96%	JPMorgan	31-Aug-24	USD	(17,762)

Note 9 — Open positions on cross currency swap contracts

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Flexible Alpha Bond Fund

Description	Notional amount	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
Receiving floating rate 3-month USD BBA LIBOR +0.36%	2,530,000			USD	
Paying floating rate 3-month EURIBOR	2,300,000	Citigroup	18-Oct-19	EUR	(81,265)
Receiving floating rate 3-month USD BBA LIBOR +1.6%	2,625,000			USD	
Paying fixed rate 1.25%	2,100,000	Citigroup	28-Jan-21	EUR	232,403
Receiving floating rate 3-month USD BBA LIBOR +1.85%	864,500			USD	
Paying fixed rate 1.5%	700,000	Citigroup	04-May-21	EUR	66,472
Receiving floating rate 3-month USD BBA LIBOR +1.894%	2,214,000			USD	
Paying fixed rate 1.5%	1,800,000	Citigroup	04-May-21	EUR	163,380
Receiving floating rate 3-month USD BBA LIBOR +2.87%	813,400			USD	
Paying fixed rate 2.5%	700,000	Citigroup	04-May-21	EUR	13,811
Receiving fixed rate 3.045%	1,008,000			USD	
Paying fixed rate 1.125%	900,000	Citigroup	15-Dec-21	EUR	(29,053)
Receiving floating rate 3-month USD BBA LIBOR +1.53%	532,500			USD	
Paying fixed rate 1.00%	500,000	Citigroup	03-Mar-22	EUR	(37,206)
Receiving floating rate 3-month USD BBA LIBOR +1.12%	2,230,000			USD	
Paying fixed rate 0.75%	2,000,000	HSBC	01-Jun-22	EUR	(63,184)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 9 — Open positions on cross currency swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Flexible Alpha Bond Fund (continued)

Description	Notional amount	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
Receiving floating rate 3-month USD BBA LIBOR +0.5975%	4,130,000			USD	
Paying fixed rate 0.1%	3,500,000	JPMorgan	27-Jan-21	EUR	148,371
					<u>413,729</u>

Franklin Strategic Income Fund

Description	Notional amount	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
Receiving floating rate 3-month USD BBA LIBOR +2.87%	697,200			USD	
Paying fixed rate 2.5%	600,000	Citigroup	04-May-21	EUR	11,838

Franklin U.S. Low Duration Fund

Description	Notional amount	Counterparty	Maturity date	Trading currency	Unrealised profit/(loss) USD
Receiving floating rate 3-month USD BBA LIBOR +2.87%	581,000			USD	
Paying fixed rate 2.5%	500,000	Citigroup	04-May-21	EUR	9,865

Note 10 — Open positions on total return swap contracts

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Diversified Balanced Fund

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) EUR
USD	7,606,542	Performance of SGI VI Smart Beta Index	USD-Federal Funds-H.15-OIS-COMPOUND +0.50%	Societe Generale	27-Feb-20	(47,064)

Franklin Diversified Conservative Fund

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) EUR
JPY	225,505,000	Performance of JPMorgan Bespoke Japan Call Overwriting Strategy Index	0.09% per annum of the Notional Amount	JPMorgan	24-Apr-20	4,135
USD	7,819,033	Performance of SGI VI Smart Beta Index	USD-Federal Funds-H.15-OIS-COMPOUND +0.50%	Societe Generale	27-Feb-20	(48,379)
						<u>(44,244)</u>

Franklin Diversified Dynamic Fund

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) EUR
USD	3,641,777	Performance of SGI VI Smart Beta Index	USD-Federal Funds-H.15-OIS-COMPOUND +0.50%	Societe Generale	27-Feb-20	(22,533)

Franklin Flexible Alpha Bond Fund

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
USD	8,950,000	Performance of Markit iBoxx USD Liquid Leveraged Loans Index Series 1 Version 1	3-month USD BBA LIBOR	Citigroup	20-Sep-19	147,575
USD	3,000,000	Performance of Markit iBoxx USD Liquid Leveraged Loans Index Series 1 Version 1	3-month USD BBA LIBOR	Credit Suisse	20-Mar-20	15,513

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Flexible Alpha Bond Fund (continued)

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
USD	4,800,000	Performance of Markit iBoxx USD Liquid Leveraged Loans Index Series 1 Version 1	3-month USD BBA LIBOR	Goldman Sachs	20-Mar-20	44,253
USD	11,750,000	Performance of Markit iBoxx USD Liquid Leveraged Loans Index Series 1 Version 1	3-month USD BBA LIBOR	JPMorgan	20-Sep-19	456,513
USD	11,900,000	Performance of Markit iBoxx USD Liquid Leveraged Loans Index Series 1 Version 1	3-month USD BBA LIBOR	JPMorgan	20-Dec-19	876
USD	3,000,000	Performance of Markit iBoxx USD Liquid Leveraged Loans Index Series 1 Version 1	3-month USD BBA LIBOR	Morgan Stanley	20-Dec-19	25,202
						<u>689,932</u>

Franklin Global Multi-Asset Income Fund

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) EUR
JPY	1,003,815,966	Performance of JPMorgan Bespoke Japan Call Overwriting Strategy Index	0.09% per annum of the Notional Amount	JPMorgan	24-Apr-20	18,407
USD	7,133,176	Performance of SGI VI Smart Beta Index	USD-Federal Funds-H.15-OIS-COMPOUND +0.50%	Societe Generale	27-Feb-20	(44,135)
						<u>(25,728)</u>

Franklin K2 Alternative Strategies Fund

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
IDR	41,003,000,000	Performance of Indonesia Treasury Bond, senior note, 8.125%, 05/15/24	3-month USD LIBOR +6.00%	Bank of America	15-Apr-20	(68,678)
IDR	5,854,000,000	Performance of Indonesia Treasury Bond, senior note, 8.125%, 05/15/24	3-month USD LIBOR +6.00%	Bank of America	22-Jun-20	9,330
CAD	477,159	1-month CAD LIBOR -0.30%	Performance of Element Fleet Management Corp.	Deutsche Bank	04-Jul-19	(26,399)
CAD	1,785,420	1-month CAD LIBOR -10.00%	Performance of Canopy Growth Corp.	Deutsche Bank	04-Jul-19	(858)
EGP	26,500,000	Performance of Egypt Treasury Bill, 0.00%, 08/13/19	0.00%	Deutsche Bank	13-Aug-19	163,324
USD	12,858,784	Performance of Anadarko Petroleum Corp.	US Overnight Bank Funding Rate +0.40%	Deutsche Bank	17-Oct-19	65,782
USD	2,152,174	Performance of Caesars Entertainment Corp.	US Overnight Bank Funding Rate +0.40%	Deutsche Bank	17-Oct-19	29,881
USD	797,666	US Overnight Bank Funding Rate -0.35%	Performance of AbbVie Inc.	Deutsche Bank	17-Oct-19	(63,178)
USD	5,480,275	US Overnight Bank Funding Rate -0.35%	Performance of Bristol-Myers Squibb Co.	Deutsche Bank	17-Oct-19	345,614
USD	4,761,552	US Overnight Bank Funding Rate -0.35%	Performance of Centene Corp.	Deutsche Bank	17-Oct-19	235,490
USD	2,292,904	US Overnight Bank Funding Rate -0.35%	Performance of Eldorado Resorts Inc.	Deutsche Bank	17-Oct-19	(49,736)
USD	11,065,981	US Overnight Bank Funding Rate -0.35%	Performance of Fidelity National Information Services Inc.	Deutsche Bank	17-Oct-19	(103,732)
USD	16,974,448	US Overnight Bank Funding Rate -0.35%	Performance of Fiserv Inc.	Deutsche Bank	17-Oct-19	(407,789)
USD	2,286,656	US Overnight Bank Funding Rate -0.35%	Performance of Global Payments Inc.	Deutsche Bank	17-Oct-19	(4,427)
USD	20,460,273	US Overnight Bank Funding Rate -0.35%	Performance of Harris Corp.	Deutsche Bank	17-Oct-19	318,052

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
USD	2,688,421	US Overnight Bank Funding Rate -0.35%	Performance of Occidental Petroleum Corp.	Deutsche Bank	17-Oct-19	(66,836)
USD	2,459,359	US Overnight Bank Funding Rate -0.35%	Performance of Raytheon Co.	Deutsche Bank	17-Oct-19	87,593
USD	5,189,773	US Overnight Bank Funding Rate -0.35%	Performance of Salesforce.com Inc.	Deutsche Bank	17-Oct-19	126,586
USD	3,068,847	Performance of Inmarsat PLC	1-month USD LIBOR +0.45%	Deutsche Bank	21-Oct-19	133
USD	1,319,152	Performance of Air Transport Services Group Inc., cvt., senior note, 1.125%, 10/15/24	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	56,917
USD	66,126	Performance of Alder Biopharmaceuticals Inc., cvt., senior note, 2.50%, 02/01/25	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(77)
USD	514,801	Performance of Altair Engineering Inc., cvt., senior note, 0.25%, 06/01/24	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	33,363
USD	1,189,241	Performance of Aphria Inc., cvt., senior bond, 144A, 5.25%, 06/01/24	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(63,954)
USD	1,274,862	Performance of Atlas Air Worldwide Holdings Inc., cvt., senior note, 1.875%, 06/01/24	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(9,620)
USD	565,875	Performance of Aurora Cannabis Inc., cvt., senior note, 144A, 5.50%, 02/28/24	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(48,486)
USD	1,132,284	Performance of Benefitfocus Inc., cvt., senior note, 144A, 1.25%, 12/15/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(241,086)
USD	48,213	Performance of Boingo Wireless Inc., cvt., senior note, 144A, 1.00%, 10/01/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(1,431)
USD	1,498,698	Performance of Carbonite Inc., cvt., senior note, 2.50%, 04/01/22	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(117,654)
USD	2,030,971	Performance of Cemex SAB de CV, cvt., 3.72%, 03/15/20	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(45,831)
USD	2,341,232	Performance of Chegg Inc., cvt., senior note, 0.25%, 05/15/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	380,934
USD	1,311,536	Performance of Cleveland-Cliffs Inc., cvt., senior note, 1.50%, 01/15/25	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	102,074
USD	529,886	Performance of Coupa Software Inc., cvt., senior note, 144A, 0.125%, 06/15/25	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	13,436
USD	825,428	Performance of Cowen Inc., cvt., senior note, 3.00%, 12/15/22	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	30,788
USD	549,450	Performance of CSG Systems International Inc., cvt., senior note, 4.25%, 03/15/36	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	22,507
USD	887,434	Performance of Encore Capital Group Inc., cvt., senior note, 3.25%, 03/15/22	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(26,857)
USD	777,647	Performance of Enphase Energy Inc., cvt, 144A, 1.00%, 06/01/24	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(7,158)
USD	891,658	Performance of Evolent Health Inc., cvt., senior bond, 144A, 1.50%, 10/15/25	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(220,501)
USD	785,807	Performance of Evolent Health Inc., cvt., senior note, 2.00%, 12/01/21	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(255,560)
USD	857,730	Performance of EZCORP Inc., cvt., senior note, 2.375%, 05/01/25	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	36,242

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
USD	1,076	Performance of First Majestic Silver Corp., cvt., senior note, 1.875%, 03/01/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	60
USD	2,946,236	Performance of FTI Consulting Inc., cvt., senior note, 144A, 2.00%, 08/15/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	122,126
USD	421,553	Performance of Green Plains Inc., cvt., senior note, 4.125%, 09/01/22	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(38,698)
USD	1,142,832	Performance of Herbalife Nutrition Ltd., cvt., senior note, 2.625%, 03/15/24	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(113,210)
USD	774,919	Performance of Hope Bancorp Inc., cvt., senior bond, 2.00%, 05/15/38	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	5,933
USD	269,661	Performance of IAC Financeco 3 Inc., cvt., senior bond, 144A, 2.00%, 01/15/30	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(5,064)
USD	2,200,696	Performance of IH Merger Sub LLC, cvt., senior note, 3.50%, 01/15/22	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	243,139
USD	147,285	Performance of IIP Operating Partnership LP, senior note, cvt., 144A, 3.75%, 02/21/24	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	46,421
USD	1,631,150	Performance of II-VI Inc., cvt., senior note, 0.25%, 09/01/22	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(28,569)
USD	1,216,885	Performance of Innoviva Inc., cvt., sub. note, 2.125%, 01/15/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	52,056
USD	1,741,811	Performance of Inphi Corp., cvt., senior note, 0.75%, 09/01/21	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	193,706
USD	2,097,351	Performance of Intercept Pharmaceuticals Inc., cvt., senior note, 3.25%, 07/01/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(105,217)
USD	1,438,957	Performance of Ionis Pharmaceuticals Inc., cvt., senior note, 1.00%, 11/15/21	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(218,782)
USD	1,558,289	Performance of Jazz Investments I Ltd., cvt., senior note, 1.50%, 08/15/24	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	39,363
USD	842,119	Performance of Kaman Corp., cvt., senior note, 3.25%, 05/01/24	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	34,449
USD	204,390	Performance of Karyopharm Therapeutics Inc., cvt., senior note, 3.00%, 10/15/25	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(11,206)
USD	239,487	Performance of KBR Inc., cvt., senior note, 144A, 2.50%, 11/01/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	30,790
USD	1,858,428	Performance of Knowles Corp., cvt., senior note, 3.25%, 11/01/21	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	88,225
USD	470,063	Performance of Liberty Interactive LLC, cvt., senior bond, 4.00%, 11/15/29	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	54,441
USD	1,142,523	Performance of Liberty Media Corp., cvt., senior bond, 144A, 2.25%, 12/01/48	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	59,904
USD	1,841,037	Performance of Ligand Pharmaceuticals Inc., cvt., senior note, 0.75%, 05/15/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	14,881
USD	2,291,970	Performance of Marriott Vacations Worldwide Corp., cvt., senior note, 1.50%, 09/15/22	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	36,137
USD	789,121	Performance of Microchip Technology Inc., cvt., 1.625%, 02/15/27	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	80,183

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
USD	2,364,986	Performance of Neurocrine Biosciences Inc., cvt., senior note, 2.25%, 05/15/24	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(163,064)
USD	2,889,908	Performance of NRG Energy Inc., cvt., senior bond, 2.75%, 06/01/48	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(19,224)
USD	715,524	Performance of Nuance Communications Inc., cvt., senior bond, 1.00%, 12/15/35	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(2,507)
USD	930,167	Performance of NXP Semiconductors NV, cvt., senior note, 1.00%, 12/01/19	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(27,159)
USD	4,356,236	Performance of Okta Inc., cvt., senior note, 0.25%, 02/15/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	1,835,369
USD	1,148,884	Performance of OSI Systems Inc., senior note, cvt., 1.25%, 09/01/22	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	169,598
USD	1,568,893	Performance of Pacira BioSciences Inc., cvt., senior note, 2.375%, 04/01/22	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	19,050
USD	1,444,703	Performance of Palo Alto Networks Inc., cvt., senior note, 144A, 0.75%, 07/01/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(31,965)
USD	125,031	Performance of PAR Technology Corp., cvt., senior note, 144A, 4.50%, 04/15/24	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	18,305
USD	1,938,406	Performance of PDL BioPharma Inc., cvt., senior note, 4.00%, 12/01/21	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(89,106)
USD	780,270	Performance of Perficient Inc., cvt., senior note, 144A, 2.375%, 09/15/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	94,484
USD	1,116,744	Performance of Pluralsight Inc., cvt., senior note, 144A, 0.375%, 03/01/24	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	8,237
USD	99,758	Performance of PRA Group Inc., cvt., senior note, 3.00%, 08/01/20	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	3,488
USD	845,866	Performance of PRA Group Inc., cvt., senior note, 3.50%, 06/01/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(54,601)
USD	2,658,567	Performance of PROS Holdings Inc., cvt., senior note, 2.00%, 06/01/47	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	673,294
USD	109,175	Performance of Q2 Holdings Inc., cvt., senior note, 144A, 0.75%, 06/01/26	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	3,656
USD	1,287,493	Performance of Rapid7 Inc., cvt., senior note, 144A, 1.25%, 08/01/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	150,840
USD	938	Performance of Redfin Corp., cvt., senior note, 1.75%, 07/15/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	13
USD	888,933	Performance of Redwood Trust Inc., cvt., senior note, 4.75%, 08/15/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	32,533
USD	1,024,350	Performance of Retrophin Inc., cvt., senior note, 2.50%, 09/15/25	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(30,682)
USD	225,432	Performance of RWT Holdings Inc., cvt., senior note, 5.625%, 11/15/19	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	8,006
USD	1,371,300	Performance of Sea Ltd., cvt., senior note, 2.25%, 07/01/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	109,093
USD	1,714,279	Performance of Ship Finance International Ltd., cvt., senior note, 3.75%, 10/15/21	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	57,990
USD	1,188,467	Performance of Silicon Laboratories Inc., cvt., senior note, 1.375%, 03/01/22	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	157,797
USD	678,135	Performance of Synaptics Inc., cvt., senior note, 0.50%, 06/15/22	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(17,955)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
USD	1,006,249	Performance of Tabula Rasa HealthCare Inc., cvt., senior sub. note, 144A, 1.75%, 02/15/26	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(73,592)
USD	2,071,805	Performance of Team Inc., cvt., senior note, 5.00%, 08/01/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(177,860)
USD	317,063	Performance of Teekay Corp., cvt., senior note, 5.00%, 01/15/23	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(12,924)
USD	-	Performance of TerraVia Holdings Inc.	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(462,149)
USD	49,927	Performance of Twitter Inc., cvt., senior note, 0.25%, 06/15/24	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(398)
USD	47,092	Performance of Vishay Intertechnology Inc., cvt., senior note, 144A, 2.25%, 06/15/25	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	679
USD	596,335	Performance of Wayfair Inc., cvt., senior note, 0.375%, 09/01/22	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	(58,936)
USD	2,045,384	Performance of Zillow Group Inc., cvt., senior note, 2.00%, 12/01/21	1-month USD LIBOR +1.00%	Deutsche Bank	01-Nov-19	152,442
USD	610,537	US Overnight Bank Funding Rate -0.35%	Performance of Air Transport Services Group Inc.	Deutsche Bank	01-Nov-19	(43,861)
USD	287,011	US Overnight Bank Funding Rate -0.35%	Performance of Alder Biopharmaceuticals Inc.	Deutsche Bank	01-Nov-19	24,328
USD	469,189	US Overnight Bank Funding Rate -0.35%	Performance of Allscripts Healthcare Solutions Inc.	Deutsche Bank	01-Nov-19	(40,947)
USD	951,548	US Overnight Bank Funding Rate -0.35%	Performance of Altair Engineering Inc.	Deutsche Bank	01-Nov-19	(111,130)
USD	567,821	US Overnight Bank Funding Rate -0.35%	Performance of Atlas Air Worldwide Holdings Inc.	Deutsche Bank	01-Nov-19	(18,180)
USD	470,265	US Overnight Bank Funding Rate -0.35%	Performance of Benefitfocus Inc.	Deutsche Bank	01-Nov-19	137,657
USD	203,331	US Overnight Bank Funding Rate -0.35%	Performance of Boingo Wireless Inc.	Deutsche Bank	01-Nov-19	37,929
USD	815,260	US Overnight Bank Funding Rate -0.35%	Performance of Carbonite Inc.	Deutsche Bank	01-Nov-19	(40,477)
USD	1,854,172	US Overnight Bank Funding Rate -0.35%	Performance of Chegg Inc.	Deutsche Bank	01-Nov-19	(56,016)
USD	1,461,523	US Overnight Bank Funding Rate -0.35%	Performance of Cleveland-Cliffs Inc.	Deutsche Bank	01-Nov-19	(88,497)
USD	318,064	US Overnight Bank Funding Rate -0.35%	Performance of CONMED Corp.	Deutsche Bank	01-Nov-19	(17,789)
USD	335,896	US Overnight Bank Funding Rate -0.35%	Performance of Coupa Software Inc.	Deutsche Bank	01-Nov-19	(11,030)
USD	519,307	US Overnight Bank Funding Rate -0.35%	Performance of CSG Systems International Inc.	Deutsche Bank	01-Nov-19	(48,782)
USD	1,078,251	US Overnight Bank Funding Rate -0.35%	Performance of Encore Capital Group Inc.	Deutsche Bank	01-Nov-19	(91,494)
USD	620,713	US Overnight Bank Funding Rate -0.35%	Performance of Enphase Energy Inc.	Deutsche Bank	01-Nov-19	(14,042)
USD	193,328	US Overnight Bank Funding Rate -0.35%	Performance of Evolent Health Inc., A	Deutsche Bank	01-Nov-19	124,346
USD	741,103	US Overnight Bank Funding Rate -0.35%	Performance of EZCORP Inc., A	Deutsche Bank	01-Nov-19	11,746
USD	756,404	US Overnight Bank Funding Rate -0.35%	Performance of FTI Consulting Inc.	Deutsche Bank	01-Nov-19	(10,750)
USD	118,642	US Overnight Bank Funding Rate -0.35%	Performance of Golar LNG Ltd.	Deutsche Bank	01-Nov-19	10,596
USD	713,172	US Overnight Bank Funding Rate -0.35%	Performance of Green Plains Inc.	Deutsche Bank	01-Nov-19	134,348
USD	648,242	US Overnight Bank Funding Rate -0.35%	Performance of Herbalife Ltd.	Deutsche Bank	01-Nov-19	157,544

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
USD	187,463	US Overnight Bank Funding Rate -0.35%	Performance of Hope Bancorp Inc.	Deutsche Bank	01-Nov-19	(8,582)
USD	477,261	US Overnight Bank Funding Rate -0.35%	Performance of IAC/InterActiveCorp	Deutsche Bank	01-Nov-19	15,954
USD	702,391	US Overnight Bank Funding Rate -0.35%	Performance of II-VI Inc.	Deutsche Bank	01-Nov-19	27,152
USD	797,029	US Overnight Bank Funding Rate -0.35%	Performance of Innoviva Inc.	Deutsche Bank	01-Nov-19	893
USD	6,740,264	US Overnight Bank Funding Rate -0.35%	Performance of Invitation Homes Inc.	Deutsche Bank	01-Nov-19	(1,248,730)
USD	1,598,523	US Overnight Bank Funding Rate -0.35%	Performance of Ionis Pharmaceuticals Inc.	Deutsche Bank	01-Nov-19	282,524
USD	478,574	US Overnight Bank Funding Rate -0.35%	Performance of Jazz Pharmaceuticals PLC	Deutsche Bank	01-Nov-19	(29,396)
USD	226,609	US Overnight Bank Funding Rate -0.35%	Performance of Kaman Corp., A	Deutsche Bank	01-Nov-19	(13,436)
USD	299,368	US Overnight Bank Funding Rate -0.35%	Performance of Karyopharm Therapeutics Inc.	Deutsche Bank	01-Nov-19	(12,117)
USD	957,571	US Overnight Bank Funding Rate -0.35%	Performance of KBR Inc.	Deutsche Bank	01-Nov-19	(178,990)
USD	1,527,091	US Overnight Bank Funding Rate -0.35%	Performance of Knowles Corp.	Deutsche Bank	01-Nov-19	(110,346)
USD	157,495	US Overnight Bank Funding Rate -0.35%	Performance of Liberty Latin America Ltd.	Deutsche Bank	01-Nov-19	(271)
USD	341,879	US Overnight Bank Funding Rate -0.35%	Performance of Ligand Pharmaceuticals Inc., B	Deutsche Bank	01-Nov-19	23,879
USD	1,692,290	US Overnight Bank Funding Rate -0.35%	Performance of Live Nation Entertainment Inc.	Deutsche Bank	01-Nov-19	(75,427)
USD	525,476	US Overnight Bank Funding Rate -0.35%	Performance of Marriott Vacations Worldwide Corp.	Deutsche Bank	01-Nov-19	39,155
USD	1,589,384	US Overnight Bank Funding Rate -0.35%	Performance of Microchip Technology Inc.	Deutsche Bank	01-Nov-19	(33,839)
USD	1,363,291	US Overnight Bank Funding Rate -0.35%	Performance of Neurocrine Biosciences Inc.	Deutsche Bank	01-Nov-19	(70,638)
USD	1,081,977	US Overnight Bank Funding Rate -0.35%	Performance of NRG Energy Inc.	Deutsche Bank	01-Nov-19	120,351
USD	471,003	US Overnight Bank Funding Rate -0.35%	Performance of Nuance Communications Inc.	Deutsche Bank	01-Nov-19	30,104
USD	175,043	US Overnight Bank Funding Rate -0.35%	Performance of Nutanix Inc., A	Deutsche Bank	01-Nov-19	72,573
USD	636,612	US Overnight Bank Funding Rate -0.35%	Performance of NXP Semiconductors NV	Deutsche Bank	01-Nov-19	(20,039)
USD	4,050,387	US Overnight Bank Funding Rate -0.35%	Performance of Okta Inc., A	Deutsche Bank	01-Nov-19	(1,578,479)
USD	1,083,275	US Overnight Bank Funding Rate -0.35%	Performance of OSI Systems Inc.	Deutsche Bank	01-Nov-19	(200,433)
USD	723,239	US Overnight Bank Funding Rate -0.35%	Performance of Pacira BioSciences Inc.	Deutsche Bank	01-Nov-19	(16,617)
USD	567,472	US Overnight Bank Funding Rate -0.35%	Performance of Palo Alto Networks Inc.	Deutsche Bank	01-Nov-19	39,706
USD	1,110,801	US Overnight Bank Funding Rate -0.35%	Performance of Perficient Inc.	Deutsche Bank	01-Nov-19	(174,501)
USD	1,162,651	US Overnight Bank Funding Rate -0.35%	Performance of Pluralsight Inc., A	Deutsche Bank	01-Nov-19	41,543
USD	696,465	US Overnight Bank Funding Rate -0.35%	Performance of PRA Group Inc.	Deutsche Bank	01-Nov-19	14,506
USD	2,582,969	US Overnight Bank Funding Rate -0.35%	Performance of PROS Holdings Inc.	Deutsche Bank	01-Nov-19	(672,480)
USD	65,899	US Overnight Bank Funding Rate -0.35%	Performance of Q2 Holdings Inc.	Deutsche Bank	01-Nov-19	(2,744)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
USD	499,433	US Overnight Bank Funding Rate -0.35%	Performance of Qudian Inc., ADR	Deutsche Bank	01-Nov-19	16,478
USD	1,924,568	US Overnight Bank Funding Rate -0.35%	Performance of Rapid7 Inc.	Deutsche Bank	01-Nov-19	(318,366)
USD	504,529	US Overnight Bank Funding Rate -0.35%	Performance of Redwood Trust Inc.	Deutsche Bank	01-Nov-19	(18,430)
USD	544,560	US Overnight Bank Funding Rate -0.35%	Performance of Retrophin Inc.	Deutsche Bank	01-Nov-19	50,353
USD	359,913	US Overnight Bank Funding Rate -0.35%	Performance of Ship Finance International Ltd.	Deutsche Bank	01-Nov-19	4,305
USD	724,731	US Overnight Bank Funding Rate -0.35%	Performance of Silicon Laboratories Inc.	Deutsche Bank	01-Nov-19	(70,697)
USD	92,374	US Overnight Bank Funding Rate -0.35%	Performance of Synaptics Inc.	Deutsche Bank	01-Nov-19	8,686
USD	936,687	US Overnight Bank Funding Rate -0.35%	Performance of Tabula Rasa Healthcare Inc.	Deutsche Bank	01-Nov-19	98,931
USD	278,607	US Overnight Bank Funding Rate -0.35%	Performance of Twitter Inc.	Deutsche Bank	01-Nov-19	15,711
USD	5,645,401	US Overnight Bank Funding Rate -0.35%	Performance of U.S. Treasury Note, 2.375%, 05/15/29	Deutsche Bank	01-Nov-19	(39,760)
USD	70,148	US Overnight Bank Funding Rate -0.35%	Performance of Uniti Group Inc.	Deutsche Bank	01-Nov-19	(2,513)
USD	267,261	US Overnight Bank Funding Rate -0.35%	Performance of Vishay Intertechnology Inc.	Deutsche Bank	01-Nov-19	6,182
USD	454,060	US Overnight Bank Funding Rate -0.35%	Performance of Wayfair Inc., A	Deutsche Bank	01-Nov-19	34,266
USD	670,139	US Overnight Bank Funding Rate -0.35%	Performance of YY Inc., ADR	Deutsche Bank	01-Nov-19	15,424
USD	835,623	US Overnight Bank Funding Rate -0.35%	Performance of Zillow Group Inc., C	Deutsche Bank	01-Nov-19	(93,697)
USD	385,516	US Overnight Bank Funding Rate -0.35%	Performance of Zynga Inc.	Deutsche Bank	01-Nov-19	(7,414)
USD	1,156,165	US Overnight Bank Funding Rate -1.00%	Performance of Cowen Inc.	Deutsche Bank	01-Nov-19	(97,797)
USD	1,201,984	US Overnight Bank Funding Rate -1.00%	Performance of Intercept Pharmaceuticals Inc.	Deutsche Bank	01-Nov-19	103,925
USD	1,231,844	US Overnight Bank Funding Rate -1.00%	Performance of PDL BioPharma Inc.	Deutsche Bank	01-Nov-19	125,849
USD	5,318	US Overnight Bank Funding Rate -1.00%	Performance of RH	Deutsche Bank	01-Nov-19	42
USD	303,788	US Overnight Bank Funding Rate -1.00%	Performance of SSR Mining Inc.	Deutsche Bank	01-Nov-19	(24,023)
USD	792,128	US Overnight Bank Funding Rate -1.00%	Performance of The Medicines Co.	Deutsche Bank	01-Nov-19	(246,664)
USD	2,595,545	US Overnight Bank Funding Rate -1.20%	Performance of Sea Ltd., ADR	Deutsche Bank	01-Nov-19	(631,140)
USD	468,487	US Overnight Bank Funding Rate -1.90%	Performance of PAR Technology Corp.	Deutsche Bank	01-Nov-19	(77,940)
USD	2,887,597	US Overnight Bank Funding Rate -14.00%	Performance of Innovative Industrial Properties Inc.	Deutsche Bank	01-Nov-19	(841,299)
USD	184,564	US Overnight Bank Funding Rate -15.00%	Performance of Tilray Inc.	Deutsche Bank	01-Nov-19	22,566
USD	835,217	US Overnight Bank Funding Rate -2.00%	Performance of Inphi Corp.	Deutsche Bank	01-Nov-19	(56,471)
USD	935,500	US Overnight Bank Funding Rate -2.00%	Performance of Team Inc.	Deutsche Bank	01-Nov-19	144,782
USD	1,765,076	US Overnight Bank Funding Rate -25.00%	Performance of Aurora Cannabis Inc.	Deutsche Bank	01-Nov-19	183,944
USD	287,481	US Overnight Bank Funding Rate -3.50%	Performance of First Majestic Silver Corp.	Deutsche Bank	01-Nov-19	(40,541)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
USD	439,000	US Overnight Bank Funding Rate -5.00%	Performance of Redfin Corp.	Deutsche Bank	01-Nov-19	18,474
USD	147,273	US Overnight Bank Funding Rate -5.50%	Performance of Teekay Corp.	Deutsche Bank	01-Nov-19	108,207
USD	751,710	US Overnight Bank Funding Rate -61.00%	Performance of Aphira Inc.	Deutsche Bank	01-Nov-19	58,707
EUR	54,182	1-month EUR LIBOR -3.00%	Performance of Fugro NV, IDR	Deutsche Bank	03-Dec-19	24,024
USD	573,055	Performance of Accenture PLC, A	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	414
USD	430,042	Performance of Adobe Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	21,396
USD	251,319	Performance of Advanced Micro Devices Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(21,971)
USD	621,624	Performance of AK Steel Holding Corp., 7.25%, cvt. pfd.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(24,435)
USD	538,132	Performance of Alphabet Inc., A	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(686)
USD	654,711	Performance of Alphabet Inc., C	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(529)
USD	1,054,977	Performance of Amazon.com Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	15,870
USD	6,515	Performance of Atento SA	1-month USD LIBOR +0.40%	Deutsche Bank	10-May-20	(187)
USD	852,929	Performance of Atlassian Corp. PLC	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(13,862)
USD	819,669	Performance of Automatic Data Processing Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(8,288)
USD	270,111	Performance of Blackbaud Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	12,349
USD	309,915	Performance of Booking Holdings Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	15,882
USD	57,483	Performance of China Unicom (Hong Kong) Ltd., ADR	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	187
USD	1,064,117	Performance of CoStar Group Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	8,432
USD	608,373	Performance of EPAM Systems Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(14,560)
USD	770,712	Performance of Equifax Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	28,756
USD	931,405	Performance of ExlService Holdings Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	57,126
USD	520,603	Performance of Expedia Group Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	47,548
USD	812,914	Performance of Facebook Inc., A	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	83,468
USD	986,877	Performance of FleetCor Technologies Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	52,895
USD	504,849	Performance of Flex Ltd.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(4,850)
USD	210,007	Performance of FormFactor Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	3,259
USD	2,255,583	Performance of Genpact Ltd.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	81,487
USD	1,437,151	Performance of Global Payments Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(4,725)
USD	1,070,763	Performance of GoDaddy Inc., A	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(48,139)
USD	1,546,494	Performance of Guidewire Software Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	47,479
USD	1,217,908	Performance of Hubspot Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(49,096)
USD	652,113	Performance of Huron Consulting Group Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(11,219)
USD	672,141	Performance of Intuit Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	1,159
USD	1,068,318	Performance of Itron Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	54,449
USD	172,459	Performance of KLA-Tencor Corp.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	6,971
USD	223,262	Performance of Lattice Semiconductor Corp.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(2,425)
USD	1,396,755	Performance of Marvell Technology Group Ltd.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(35,027)
USD	1,254,662	Performance of Mastercard Inc., A	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(9,005)
USD	602,270	Performance of Microsoft Corp.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	4,819
USD	1,167,300	Performance of PayPal Holdings Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(13,244)
USD	103,439	Performance of Salesforce.com Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(858)
USD	1,340,728	Performance of ServiceNow Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(7,586)
USD	330,761	Performance of Splunk Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	19,954
USD	387,907	Performance of Total System Services Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	(1,821)
USD	1,095,571	Performance of TransUnion	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	44,608

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
USD	1,657,235	Performance of TriNet Group Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	46,729
USD	1,149,183	Performance of Trupanion Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	90,287
USD	1,906,654	Performance of VeriSign Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	16,929
USD	1,951,961	Performance of Visa Inc., A	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	28,762
USD	498,149	Performance of WEX Inc.	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	21,634
USD	411,731	Performance of Yandex NV, A	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	2,087
USD	337,669	Performance of Zebra Technologies Corp., A	1-month USD LIBOR +0.30%	Deutsche Bank	10-May-20	25,570
USD	1,436,908	1-month USD LIBOR +0.10%	Performance of DB Hybrid Basket 01 Index	Deutsche Bank	13-May-20	(50,573)
USD	1,329,727	1-month USD LIBOR +0.10%	Performance of S&P SmallCap 600 Total Return Index	Deutsche Bank	13-May-20	(38,510)
USD	46,340	1-month USD LIBOR +0.10%	Performance of Standard & Poors United States Index	Deutsche Bank	13-May-20	(867)
USD	4,254,527	1-month USD LIBOR +0.15%	Performance of NASDAQ 100 Total Return Index	Deutsche Bank	13-May-20	(92,414)
USD	2,556,721	1-month USD LIBOR -0.10%	Performance of Dow Jones US Technology Total Return Index	Deutsche Bank	13-May-20	(57,399)
USD	440,553	1-month USD LIBOR -0.25%	Performance of Russell Midcap Growth Total Return Index	Deutsche Bank	13-May-20	(4,725)
USD	2,108,507	1-month USD LIBOR -0.30%	Performance of S&P Smallcap 600 Growth Index	Deutsche Bank	13-May-20	(53,478)
USD	475,131	1-month USD LIBOR -0.35%	Performance of Consumer Discretionary Select Sector Total Return Index	Deutsche Bank	13-May-20	(11,562)
USD	633,712	1-month USD LIBOR -0.35%	Performance of S&P MidCap 400 Total Return Index	Deutsche Bank	13-May-20	(14,607)
USD	1,521,311	1-month USD LIBOR -0.35%	Performance of S&P North American Technology Software Index	Deutsche Bank	13-May-20	(18,542)
USD	1,880,253	1-month USD LIBOR -0.40%	Performance of S&P North USA Technology Total Return Index	Deutsche Bank	13-May-20	4,126
USD	1,040,032	1-month USD LIBOR -1.00%	Performance of Russell 2000 Total Return Growth Index	Deutsche Bank	13-May-20	(32,733)
USD	1,499,176	1-month USD LIBOR +0.10%	Performance of DB Hybrid Basket 01 Index	Deutsche Bank	14-May-20	(52,768)
USD	497,276	1-month USD LIBOR +0.10%	Performance of S&P SmallCap 600 Total Return Index	Deutsche Bank	14-May-20	(14,397)
USD	98,473	1-month USD LIBOR +0.10%	Performance of Standard & Poors United States Index	Deutsche Bank	14-May-20	(1,843)
USD	207,538	1-month USD LIBOR +0.15%	Performance of NASDAQ 100 Total Return Index	Deutsche Bank	14-May-20	(4,501)
USD	178,239	1-month USD LIBOR -0.25%	Performance of Russell Midcap Growth Total Return Index	Deutsche Bank	14-May-20	(1,920)
USD	985,276	1-month USD LIBOR -0.30%	Performance of S&P Smallcap 600 Growth Index	Deutsche Bank	14-May-20	(24,946)
USD	665,904	1-month USD LIBOR -0.35%	Performance of Consumer Discretionary Select Sector Total Return Index	Deutsche Bank	14-May-20	(16,154)
USD	357,184	1-month USD LIBOR -0.35%	Performance of S&P MidCap 400 Total Return Index	Deutsche Bank	14-May-20	(8,219)
USD	420,481	1-month USD LIBOR -0.35%	Performance of S&P North American Technology Software Index	Deutsche Bank	14-May-20	(5,116)
IDR	7,918,000,000	Performance of Indonesia Treasury Bond, senior note, 8.125%, 05/15/24	3-month USD LIBOR +6.00%	Deutsche Bank	17-May-24	(13,073)
IDR	45,633,000,000	Performance of Indonesia Treasury Bond, senior bond, 8.25%, 06/15/32	3-month USD LIBOR +6.00%	Deutsche Bank	17-Jun-32	9,976
USD	8,383,034	1-month USD LIBOR -0.05%	Performance of Health Care Select Total Return Index	Goldman Sachs	17-Nov-27	(124,865)
USD	6,368,840	1-month USD LIBOR -0.65%	Performance of NASDAQ Biotechnology Total Return Index	Goldman Sachs	17-Nov-27	(345,103)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
USD	8,418,000	3-month USD LIBOR	Performance of iBoxx USD Liquid Investment Grade Index	JPMorgan	20-Sep-19	(294,875)
USD	1,318,358	Performance of Hasbro Inc.	1-month USD LIBOR +0.35%	JPMorgan	13-Apr-20	(11,352)
USD	2,140,707	Performance of CarMax Inc.	1-month USD LIBOR +0.35%	JPMorgan	22-Apr-20	72,976
USD	73,696	1-month USD LIBOR -0.17%	Performance of Standard & Poors United States Index	JPMorgan	05-May-20	(3,027)
USD	188,660	1-month USD LIBOR -0.35%	Performance of S&P North USA Technology Total Return Index	JPMorgan	05-May-20	(3,992)
USD	229,119	Performance of Accenture PLC, A	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	6,263
USD	446,126	Performance of Adobe Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	34,861
USD	2,026,206	Performance of Advanced Micro Devices Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	59,635
USD	68,946	Performance of Alphabet Inc., A	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	2,403
USD	152,164	Performance of Alphabet Inc., C	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	5,381
USD	257,298	Performance of Amazon.com Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	22,136
USD	28,984	Performance of Atento SA	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	(948)
USD	608,002	Performance of Atlassian Corp. PLC	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	20,186
USD	63,290	Performance of Blackbaud Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	6,133
USD	155,320	Performance of Booking Holdings Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	9,394
HKD	9,603,740	Performance of China Tower Corp. Ltd., H, 144A, Reg S	1-month HKD HIBOR +0.30%	JPMorgan	05-May-20	35,475
USD	10,608	Performance of China Unicom (Hong Kong) Ltd., ADR	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	241
USD	703,514	Performance of Coherent Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	108,646
USD	1,189,014	Performance of CommScope Holding Co. Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	(82,346)
USD	134,597	Performance of EPAM Systems Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	2,099
USD	159,232	Performance of Equifax Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	8,739
USD	81,988	Performance of Expedia Group Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	8,335
USD	767,864	Performance of Facebook Inc., A	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	112,083
USD	361,863	Performance of First Solar Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	27,721
USD	1,524,677	Performance of Flex Ltd.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	33,328
USD	392,996	Performance of FormFactor Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	26,989
USD	255,428	Performance of Harris Corp.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	(11,502)
USD	85,524	Performance of Huron Consulting Group Inc.	1-month USD LIBOR +0.40%	JPMorgan	05-May-20	824
USD	414,928	Performance of KLA-Tencor Corp.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	45,734
USD	488,780	Performance of Lattice Semiconductor Corp.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	28,322
USD	1,521,310	Performance of Lumentum Holdings Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	363,110
USD	3,036,938	Performance of Marvell Technology Group Ltd.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	86,701
USD	1,247,131	Performance of MediaTek Inc.	1-month USD LIBOR +0.50%	JPMorgan	05-May-20	17,972
USD	630,299	Performance of Micron Technology Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	7,709
USD	90,849	Performance of Microsoft Corp.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	5,609
USD	10,318	Performance of Microsoft Corp.	1-month USD LIBOR +0.40%	JPMorgan	05-May-20	635
SEK	6,427,020	Performance of Millicom International Cellular SA, IDR	1-month SEK STIBOR +0.20%	JPMorgan	05-May-20	16,928
USD	1,174,976	Performance of Netflix Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	37,463
USD	611,081	Performance of ORBCOMM Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	2,346
USD	319,011	Performance of Pure Storage Inc., A	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	(17,919)
USD	5,080,396	Performance of Republic Services Inc.	1-month USD LIBOR +0.35%	JPMorgan	05-May-20	6,597
USD	184,107	Performance of Salesforce.com Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	(8,106)
USD	181,953	Performance of StoneCo. Ltd., A	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	22,464
HKD	3,740,300	Performance of Tencent Holdings Ltd.	1-month HKD HIBOR +0.30%	JPMorgan	05-May-20	30,537

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
HKD	1,026,100	Performance of Tencent Holdings Ltd.	1-month HKD HIBOR +1.25%	JPMorgan	05-May-20	8,299
USD	77,112	Performance of TransUnion	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	6,275
USD	591,099	Performance of TransUnion	1-month USD LIBOR +0.40%	JPMorgan	05-May-20	48,086
USD	258,051	Performance of TriNet Group Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	13,560
USD	51,611	Performance of Trupanion Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	6,947
USD	2,008,453	Performance of Western Digital Corp.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	542,877
USD	378,183	Performance of Yandex NV, A	1-month USD LIBOR	JPMorgan	05-May-20	17,446
USD	856,582	Performance of Zebra Technologies Corp., A	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	71,688
USD	953,877	Performance of Zscaler Inc.	1-month USD LIBOR +0.20%	JPMorgan	05-May-20	53,563
USD	73,696	1-month USD LIBOR -0.17%	Performance of Standard & Poors United States Index	JPMorgan	07-May-20	(3,013)
USD	1,142,239	1-month USD LIBOR -0.22%	Performance of MSCI Daily Total Return Net Japan USD Index	JPMorgan	07-May-20	(22,448)
USD	231,333	1-month USD LIBOR -0.25%	Performance of S&P SmallCap 600 Total Return Index	JPMorgan	07-May-20	(9,447)
USD	14,000	1-month USD LIBOR -0.33%	Performance of Consumer Discretionary Select Sector Total Return Index	JPMorgan	07-May-20	(744)
USD	257,978	1-month USD LIBOR -0.33%	Performance of NASDAQ 100 Total Return Index	JPMorgan	07-May-20	(15,925)
USD	212,860	1-month USD LIBOR -0.33%	Performance of S&P MidCap 400 Total Return Index	JPMorgan	07-May-20	(8,103)
USD	2,911,949	1-month USD LIBOR -0.33%	Performance of S&P North American Technology Software Index	JPMorgan	07-May-20	(138,282)
USD	334,690	1-month USD LIBOR -0.35%	Performance of S&P North USA Technology Total Return Index	JPMorgan	07-May-20	(7,116)
USD	590,852	1-month USD LIBOR -0.40%	Performance of NASDAQ 100 Total Return Index	JPMorgan	07-May-20	(36,463)
USD	6,079,920	1-month USD LIBOR -0.40%	Performance of Philadelphia Stock Exchange Semiconductor Index	JPMorgan	07-May-20	(472,395)
USD	39,376	1-month USD LIBOR -0.40%	Performance of Russell Midcap Growth Total Return Index	JPMorgan	07-May-20	(1,404)
USD	2,968,256	1-month USD LIBOR -0.40%	Performance of S&P North American Technology Software Index	JPMorgan	07-May-20	(126,221)
USD	3,125,138	1-month USD LIBOR -0.40%	Performance of S&P North USA Technology Total Return Index	JPMorgan	07-May-20	(66,262)
USD	489,170	1-month USD LIBOR -0.45%	Performance of MSCI Daily Total Return Net Emerging Markets Taiwan USD Index	JPMorgan	07-May-20	(22,481)
USD	150,940	1-month USD LIBOR -0.80%	Performance of Russell Midcap Growth Total Return Index	JPMorgan	07-May-20	(5,431)
USD	4,019,474	Performance of Kemper Corp.	1-month USD LIBOR +0.35%	JPMorgan	12-May-20	(7,453)
USD	6,114,184	Performance of Costco Wholesale Corp.	1-month USD LIBOR +0.35%	JPMorgan	10-Jun-20	65,478
GBP	1,112,917	Performance of Savills PLC	1-month GBP LIBOR +0.40%	JPMorgan	02-Jul-20	67,753
USD	3,492,414	Performance of Domino's Pizza Inc.	1-month USD LIBOR +0.35%	JPMorgan	14-Jul-20	(46,686)
USD	109,170,913	1-month USD LIBOR	Performance of S&P 500 Index	JPMorgan	22-Jul-20	(2,020,766)
USD	6,368,342	Performance of Bank of America Corp.	1-month USD LIBOR +0.35%	JPMorgan	22-Jul-20	226,062
USD	3,734,834	Performance of The Blackstone Group Inc., A	1-month USD LIBOR +0.35%	JPMorgan	22-Jul-20	17,738
USD	6,422,966	Performance of Cintas Corp.	1-month USD LIBOR +0.35%	JPMorgan	29-Jul-20	137,313
USD	12,012,059	Performance of Microsoft Corp.	1-month USD LIBOR +0.35%	JPMorgan	29-Jul-20	99,197
GBP	403,226	Performance of Reckitt Benckiser Group PLC	1-month GBP LIBOR +0.40%	JPMorgan	29-Jul-20	(8,011)
USD	3,518,521	Performance of The Boeing Co.	1-month USD LIBOR +0.35%	JPMorgan	29-Jul-20	64,088
CHF	6,100,235	Performance of LafargeHolcim Ltd., B	1-month CHF LIBOR +0.40%	Morgan Stanley	25-Jul-19	(347,383)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
EUR	1,805,705	Performance of EDP Renovaveis SA	EUR-EONIA +0.65%	Morgan Stanley	04-Sep-19	317,195
USD	4,181,732	Performance of Allergan PLC	USD-FED EFF +0.40%	Morgan Stanley	05-Sep-19	77,226
USD	4,266,942	Performance of Buckeye Partners LP	USD-FED EFF +1.00%	Morgan Stanley	05-Sep-19	22,119
USD	8,526,943	Performance of Celgene Corp.	USD-FED EFF +0.40%	Morgan Stanley	05-Sep-19	411,871
USD	5,821,807	Performance of L3 Technologies Inc.	USD-FED EFF +0.40%	Morgan Stanley	05-Sep-19	1,278,442
USD	6,505,038	Performance of SunTrust Banks Inc.	USD-FED EFF +0.40%	Morgan Stanley	05-Sep-19	59,181
USD	1,898,107	Performance of Tableau Software Inc.	USD-FED EFF +0.40%	Morgan Stanley	05-Sep-19	17,473
USD	142,535	Performance of WellCare Health Plans Inc.	USD-FED EFF +0.40%	Morgan Stanley	05-Sep-19	(3,570)
USD	9,396,031	Performance of Worldpay Inc., A	USD-FED EFF +0.40%	Morgan Stanley	05-Sep-19	657,983
USD	4,121,000	3-month USD LIBOR	Performance of iBoxx USD Liquid Investment Grade Index	Morgan Stanley	20-Sep-19	(145,033)
EUR	8,556,715	Performance of Innogy SE, Reg S	EUR-EONIA +0.65%	Morgan Stanley	27-Sep-19	944,953
EUR	6,713,641	Performance of McKesson Europe AG	EUR-EONIA +0.65%	Morgan Stanley	27-Sep-19	103,028
EUR	5,120,274	Performance of RWE AG	EUR-EONIA +0.65%	Morgan Stanley	27-Sep-19	391,416
GBP	1,291,850	Performance of BTG PLC	GBP-SONIA +0.65%	Morgan Stanley	01-Oct-19	18,973
GBP	2,442,532	Performance of RPC Group PLC	GBP-SONIA +0.65%	Morgan Stanley	01-Oct-19	2,923
GBP	2,033,891	Performance of Vodafone Group PLC	GBP-SONIA +0.65%	Morgan Stanley	01-Oct-19	(358,432)
USD	3,538,410	USD-FED EFF -0.35%	Performance of AbbVie Inc.	Morgan Stanley	08-Nov-19	(302,453)
USD	6,585,090	USD-FED EFF -0.35%	Performance of BB&T Corp.	Morgan Stanley	08-Nov-19	(107,973)
USD	3,234,770	USD-FED EFF -0.35%	Performance of Bristol-Myers Squibb Co.	Morgan Stanley	08-Nov-19	202,045
USD	1,215,653	USD-FED EFF -0.35%	Performance of Carnival Corp.	Morgan Stanley	08-Nov-19	210,923
USD	88,624	USD-FED EFF -0.35%	Performance of Centene Corp.	Morgan Stanley	08-Nov-19	3,611
USD	8,735,429	USD-FED EFF -0.35%	Performance of Fidelity National Information Services Inc.	Morgan Stanley	08-Nov-19	(657,357)
USD	5,838,443	USD-FED EFF -0.35%	Performance of Harris Corp.	Morgan Stanley	08-Nov-19	(1,204,961)
USD	1,943,121	USD-FED EFF -0.35%	Performance of Occidental Petroleum Corp.	Morgan Stanley	08-Nov-19	54,522
USD	343,224	USD-FED EFF -0.35%	Performance of Pfizer Inc.	Morgan Stanley	08-Nov-19	874
USD	1,913,467	USD-FED EFF -0.35%	Performance of Salesforce.com Inc.	Morgan Stanley	08-Nov-19	(15,350)
USD	5,730,725	Performance of Altaba Inc.	USD-FED EFF +2.50%	Morgan Stanley	24-Dec-19	(483,435)
USD	5,394,780	USD-FED EFF -0.35%	Performance of Alibaba Group Holding Ltd., ADR	Morgan Stanley	24-Dec-19	484,109
USD	2,560,809	Fixed rate 0.17%	Performance of Bloomberg Commodity ex-Agriculture and Livestock Capped Index	Morgan Stanley	10-Jan-20	(88,366)
GBP	446,774	GBP-SONIA -0.35%	Performance of Glencore Xstrata PLC	Morgan Stanley	20-Jan-20	(24,193)
GBP	1,942,749	Performance of Anglo American PLC	1-month GBP LIBOR +0.50%	Morgan Stanley	20-Jan-20	245,957
GBP	1,267,008	Performance of Antofagasta PLC	1-month GBP LIBOR +0.50%	Morgan Stanley	20-Jan-20	66,502
GBP	1,065,917	Performance of Ashtead Group PLC	1-month GBP LIBOR +0.50%	Morgan Stanley	20-Jan-20	14,332
GBP	484,438	Performance of Rio Tinto PLC	1-month GBP LIBOR +0.50%	Morgan Stanley	20-Jan-20	30,913
EUR	222,333	EUR-EONIA -0.40%	Performance of Continental AG	Morgan Stanley	13-Feb-20	(2,722)
EUR	492,137	EUR-EONIA -0.40%	Performance of Daimler AG	Morgan Stanley	13-Feb-20	(18,417)
EUR	564,438	EUR-EONIA -0.40%	Performance of Hermes International	Morgan Stanley	13-Feb-20	(36,903)
EUR	674,489	EUR-EONIA -0.40%	Performance of LVMH Moët Hennessy Louis Vuitton SE	Morgan Stanley	13-Feb-20	(72,702)
EUR	209,124	EUR-EONIA -0.40%	Performance of Safran SA	Morgan Stanley	13-Feb-20	(11,397)
EUR	609,339	EUR-EONIA -0.50%	Performance of Tenaris SA	Morgan Stanley	13-Feb-20	26,302
EUR	1,102,589	Performance of Plastic Omnium SA	1-month EUR LIBOR +0.50%	Morgan Stanley	13-Feb-20	(49,361)
USD	23,104	Performance of OneMarket Ltd.	1-month USD LIBOR	Morgan Stanley	20-Feb-20	23,104
EUR	736,450	EUR-EONIA -0.35%	Performance of Unilever NV, IDR	Morgan Stanley	16-Apr-20	4,221
EUR	3,040,263	EUR-EONIA -0.40%	Performance of Colruyt SA	Morgan Stanley	16-Apr-20	1,099,488
GBP	585,004	GBP-SONIA -0.30%	Performance of JD Sports Fashion PLC	Morgan Stanley	16-Apr-20	42,011

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
GBP	646,897	GBP-SONIA -0.30%	Performance of Marks & Spencer Group PLC	Morgan Stanley	16-Apr-20	12,684
GBP	805,138	GBP-SONIA -0.30%	Performance of Next PLC	Morgan Stanley	16-Apr-20	9,622
EUR	1,043,036	Performance of Anima Holding SpA, Reg S	1-month EUR LIBOR +0.40%	Morgan Stanley	16-Apr-20	92,882
GBP	1,074,183	Performance of Barclays PLC	1-month GBP LIBOR +0.40%	Morgan Stanley	16-Apr-20	(29,869)
EUR	2,865,538	Performance of BNP Paribas SA	1-month EUR LIBOR +0.40%	Morgan Stanley	16-Apr-20	22,235
EUR	6,879,032	Performance of Danone SA	1-month EUR LIBOR +0.40%	Morgan Stanley	16-Apr-20	199,491
EUR	2,493,879	Performance of Eurofins Scientific SE	1-month EUR LIBOR +0.40%	Morgan Stanley	16-Apr-20	227,688
GBP	710,049	Performance of Hikma Pharmaceuticals PLC	1-month GBP LIBOR +0.40%	Morgan Stanley	16-Apr-20	56,816
EUR	4,342,378	Performance of Iliad SA	1-month EUR LIBOR +0.40%	Morgan Stanley	16-Apr-20	(304,483)
GBP	2,651,607	Performance of ITV PLC	1-month GBP LIBOR +0.40%	Morgan Stanley	16-Apr-20	(62,359)
GBP	1,291,432	Performance of Pets at Home Group PLC	1-month GBP LIBOR +0.40%	Morgan Stanley	16-Apr-20	85,903
GBP	1,968,728	Performance of RSA Insurance Group PLC	1-month GBP LIBOR +0.40%	Morgan Stanley	16-Apr-20	26,874
EUR	1,116,979	Performance of Ryanair Holdings PLC	1-month EUR LIBOR +0.40%	Morgan Stanley	16-Apr-20	(64,040)
GBP	1,838,343	Performance of Smiths Group PLC	1-month GBP LIBOR +0.40%	Morgan Stanley	16-Apr-20	104,423
EUR	2,039,529	Performance of Societe Generale SA	1-month EUR LIBOR +0.40%	Morgan Stanley	16-Apr-20	(5,219)
GBP	2,155,512	Performance of Sports Direct International PLC	1-month GBP LIBOR +0.40%	Morgan Stanley	16-Apr-20	(168,485)
USD	339,628	USD-FED EFF -0.35%	Performance of Amgen Inc.	Morgan Stanley	27-Apr-20	11,316
USD	343,325	USD-FED EFF -0.35%	Performance of Johnson & Johnson	Morgan Stanley	27-Apr-20	(4,850)
USD	351,835	USD-FED EFF -0.35%	Performance of Merck & Co. Inc.	Morgan Stanley	27-Apr-20	(13,121)
USD	385,271	Performance of Accenture PLC, A	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	1,572
USD	473,481	Performance of Adobe Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	32,378
USD	340,268	Performance of Advanced Micro Devices Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	30,701
USD	374,582	Performance of AK Steel Holding Corp., 7.25%, cvt. pfd.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	(6,081)
USD	254,876	Performance of Alphabet Inc., A	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	(2,809)
USD	421,706	Performance of Alphabet Inc., C	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	(4,878)
USD	1,638,370	Performance of Apple Inc.	1-month USD LIBOR +0.20%	Morgan Stanley	15-May-20	32,755
USD	216,871	Performance of Atento SA	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	7,948
USD	864,642	Performance of Atlassian Corp. PLC	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	493
USD	459,491	Performance of Blackbaud Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	15,642
USD	1,120,507	Performance of Booking Holdings Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	57,695
USD	246,284	Performance of Ceridian HCM Holding Inc.	1-month USD LIBOR +0.25%	Morgan Stanley	15-May-20	(4,820)
USD	27,498	Performance of China Unicom (Hong Kong) Ltd., ADR	1-month USD LIBOR +0.75%	Morgan Stanley	15-May-20	619
USD	306,816	Performance of Coherent Inc.	1-month USD LIBOR +0.20%	Morgan Stanley	15-May-20	40,684
USD	1,036,140	Performance of CommScope Holding Co. Inc.	1-month USD LIBOR +0.25%	Morgan Stanley	15-May-20	(5,918)
USD	740,404	Performance of CoStar Group Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	697
EUR	451,679	Performance of Delivery Hero SE	1-month EUR LIBOR +0.50%	Morgan Stanley	15-May-20	33,134
EUR	954,159	Performance of Edenred	1-month EUR LIBOR +0.50%	Morgan Stanley	15-May-20	43,742
USD	1,288,871	Performance of Equifax Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	24,541
USD	366,199	Performance of ExlService Holdings Inc.	1-month USD LIBOR +0.25%	Morgan Stanley	15-May-20	25,776
USD	135,035	Performance of ExlService Holdings Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	9,495
GBP	1,789,807	Performance of Experian PLC	1-month GBP LIBOR +0.50%	Morgan Stanley	15-May-20	(4,576)
USD	474,604	Performance of Facebook Inc., A	1-month USD LIBOR +0.25%	Morgan Stanley	15-May-20	9,635
USD	763,600	Performance of Facebook Inc., A	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	15,444
USD	144,611	Performance of First Solar Inc.	1-month USD LIBOR +0.20%	Morgan Stanley	15-May-20	11,181

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
USD	1,736,242	Performance of First Solar Inc.	1-month USD LIBOR +0.25%	Morgan Stanley	15-May-20	134,358
USD	2,502,502	Performance of FleetCor Technologies Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	113,098
USD	606,076	Performance of Flex Ltd.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	45,823
USD	94,528	Performance of FormFactor Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	8,338
USD	595,329	Performance of Genpact Ltd.	1-month USD LIBOR +0.25%	Morgan Stanley	15-May-20	14,663
USD	1,838,405	Performance of Genpact Ltd.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	44,963
USD	2,824,020	Performance of Global Payments Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	2,982
USD	512,074	Performance of GoDaddy Inc., A	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	(8,359)
USD	11,565	Performance of Guidewire Software Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	286
USD	1,098,832	Performance of Harris Corp.	1-month USD LIBOR +0.25%	Morgan Stanley	15-May-20	(17,708)
USD	263,007	Performance of Huron Consulting Group Inc.	1-month USD LIBOR +0.20%	Morgan Stanley	15-May-20	(6,277)
USD	512,812	Performance of Huron Consulting Group Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	(12,284)
USD	434,332	Performance of Intuit Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	10,791
GBP	525,378	Performance of Just Eat PLC	1-month GBP LIBOR +0.50%	Morgan Stanley	15-May-20	(8,054)
USD	330,411	Performance of Lattice Semiconductor Corp.	1-month USD LIBOR +0.25%	Morgan Stanley	15-May-20	11,470
USD	799,527	Performance of Lumentum Holdings Inc.	1-month USD LIBOR +0.20%	Morgan Stanley	15-May-20	93,763
USD	1,594,245	Performance of Marvell Technology Group Ltd.	1-month USD LIBOR +0.20%	Morgan Stanley	15-May-20	8,818
USD	714,850	Performance of Marvell Technology Group Ltd.	1-month USD LIBOR +0.25%	Morgan Stanley	15-May-20	3,943
USD	807,667	Performance of Mastercard Inc., A	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	15,894
USD	619,853	Performance of MediaTek Inc.	1-month USD LIBOR +0.55%	Morgan Stanley	15-May-20	38,457
SEK	5,583,816	Performance of Millicom International Cellular SA, IDR	1-month SEK STIBOR +0.30%	Morgan Stanley	15-May-20	22,660
SEK	7,860,642	Performance of Millicom International Cellular SA, IDR	1-month SEK STIBOR +0.50%	Morgan Stanley	15-May-20	31,849
USD	586,237	Performance of Netflix Inc.	1-month USD LIBOR +0.20%	Morgan Stanley	15-May-20	28,114
JPY	60,513,999	Performance of Nexon Co. Ltd.	1-month JPY LIBOR +0.50%	Morgan Stanley	15-May-20	(6,458)
USD	72,521	Performance of ORBCOMM Inc.	1-month USD LIBOR	Morgan Stanley	15-May-20	(507)
USD	132,098	Performance of ORBCOMM Inc.	1-month USD LIBOR +0.20%	Morgan Stanley	15-May-20	2,255
USD	181,241	Performance of ORBCOMM Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	3,425
USD	1,905,022	Performance of PayPal Holdings Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	(45,587)
USD	518,394	Performance of QUALCOMM Inc.	1-month USD LIBOR +0.20%	Morgan Stanley	15-May-20	51,796
USD	307,493	Performance of Salesforce.com Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	2,674
USD	362,136	Performance of Splunk Inc.	1-month USD LIBOR +0.25%	Morgan Stanley	15-May-20	19,483
USD	272,240	Performance of Spotify Technology SA	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	(6,214)
HKD	1,875,300	Performance of Tencent Holdings Ltd.	1-month HKD HIBOR +0.30%	Morgan Stanley	15-May-20	17,024
USD	1,107,288	Performance of The Boeing Co.	1-month USD LIBOR +0.20%	Morgan Stanley	15-May-20	27,701
USD	1,335,812	Performance of Total System Services Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	1,320
USD	286,452	Performance of TransUnion	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	9,540
USD	170,336	Performance of Trupanion Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	8,104
USD	569,315	Performance of Uber Technologies Inc.	1-month USD LIBOR +0.20%	Morgan Stanley	15-May-20	33,433
USD	222,454	Performance of VeriSign Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	6,214
USD	643,989	Performance of Visa Inc., A	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	14,585
USD	326,975	Performance of Western Digital Corp.	1-month USD LIBOR	Morgan Stanley	15-May-20	63,838
USD	937,217	Performance of Western Digital Corp.	1-month USD LIBOR +0.20%	Morgan Stanley	15-May-20	303,400
USD	6,131,366	Performance of WEX Inc.	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	157,233
USD	282,713	Performance of Yandex NV, A	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	(2,830)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
USD	55,195	Performance of Zebra Technologies Corp., A	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	4,670
USD	46	Performance of Zillow Group Inc., C	1-month USD LIBOR +0.50%	Morgan Stanley	15-May-20	-
USD	663,923	1-month USD LIBOR -0.15%	Performance of S&P North American Technology Software Index	Morgan Stanley	19-May-20	(15,882)
USD	9,796,989	1-month USD LIBOR -0.25%	Performance of NASDAQ 100 Total Return Index	Morgan Stanley	19-May-20	(183,826)
USD	4,846,911	1-month USD LIBOR -0.25%	Performance of Philadelphia Stock Exchange Semiconductor Index	Morgan Stanley	19-May-20	(396,330)
USD	367,290	1-month USD LIBOR -0.25%	Performance of Russell Midcap Growth Total Return Index	Morgan Stanley	19-May-20	(6,757)
USD	1,670,516	1-month USD LIBOR -0.25%	Performance of S&P North American Technology Software Index	Morgan Stanley	19-May-20	(39,838)
USD	110,227	1-month USD LIBOR -0.25%	Performance of Standard & Poors United States Index	Morgan Stanley	19-May-20	(1,958)
USD	1,165,022	1-month USD LIBOR -0.30%	Performance of MSCI Daily Total Return Net Emerging Markets Taiwan USD Index	Morgan Stanley	19-May-20	(53,010)
USD	1,548,168	1-month USD LIBOR -0.30%	Performance of S&P North USA Technology Total Return Index	Morgan Stanley	19-May-20	(25,584)
USD	40,191	1-month USD LIBOR -0.35%	Performance of Consumer Discretionary Select Sector Total Return Index	Morgan Stanley	19-May-20	(380)
USD	1,115,229	1-month USD LIBOR -0.35%	Performance of Russell Midcap Growth Total Return Index	Morgan Stanley	19-May-20	(20,513)
USD	1,735,809	1-month USD LIBOR -0.35%	Performance of S&P MidCap 400 Total Return Index	Morgan Stanley	19-May-20	(41,824)
USD	286,910	1-month USD LIBOR -0.35%	Performance of S&P Smallcap 600 Growth Index	Morgan Stanley	19-May-20	(8,018)
USD	4,899,342	1-month USD LIBOR -0.40%	Performance of S&P North USA Technology Total Return Index	Morgan Stanley	19-May-20	(81,629)
USD	5,607,060	1-month USD LIBOR -0.40%	Performance of S&P Smallcap 600 Growth Index	Morgan Stanley	19-May-20	(156,835)
USD	2,619,249	1-month USD LIBOR -0.40%	Performance of S&P SmallCap 600 Total Return Index	Morgan Stanley	19-May-20	(83,712)
USD	1,227,272	1-month USD LIBOR -0.50%	Performance of DB Hybrid Basket 01 Index	Morgan Stanley	19-May-20	(56,328)
USD	3,722,791	1-month USD LIBOR -0.50%	Performance of Dow Jones Transportation Average Total Return Index	Morgan Stanley	19-May-20	(124,396)
USD	4,560,798	1-month USD LIBOR -1.00%	Performance of Russell 2000 Total Return Growth Index	Morgan Stanley	19-May-20	(93,977)
USD	2,517,713	1-month USD LIBOR -1.00%	Performance of S&P 500 High Beta Total Return Index	Morgan Stanley	19-May-20	(121,603)
USD	2,753,749	1-month USD LIBOR -3.50%	Performance of S&P 500 High Beta Total Return Index	Morgan Stanley	19-May-20	(135,106)
USD	199,584	1-month USD LIBOR -0.25%	Performance of NASDAQ 100 Total Return Index	Morgan Stanley	20-May-20	(3,743)
USD	297,160	1-month USD LIBOR -0.25%	Performance of S&P North American Technology Software Index	Morgan Stanley	20-May-20	(7,115)
USD	90,153	1-month USD LIBOR -0.35%	Performance of Russell Midcap Growth Total Return Index	Morgan Stanley	20-May-20	(1,673)
USD	8,636	1-month USD LIBOR -0.35%	Performance of S&P MidCap 400 Total Return Index	Morgan Stanley	20-May-20	(209)
USD	667,780	1-month USD LIBOR -1.00%	Performance of Russell 2000 Total Return Growth Index	Morgan Stanley	20-May-20	(13,788)
USD	7,176,895	Performance of Caterpillar Inc.	USD-FED EFF +0.50%	Morgan Stanley	22-Sep-20	131,535
USD	6,313,934	Performance of CSX Corp.	USD-FED EFF +0.50%	Morgan Stanley	22-Sep-20	163,766
USD	8,648,710	Performance of Knight-Swift transportation Holdings Inc.	USD-FED EFF +0.50%	Morgan Stanley	22-Sep-20	164,093
USD	4,866,641	Performance of NVR Inc.	USD-FED EFF +0.50%	Morgan Stanley	22-Sep-20	1,225,132

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
USD	3,556,497	Performance of Rio Tinto PLC, ADR	USD-FED EFF +0.50%	Morgan Stanley	22-Sep-20	411,490
USD	1,355,630	USD-FED EFF -0.35%	Performance of American Airlines Group Inc.	Morgan Stanley	22-Sep-20	(20,756)
USD	472,700	USD-FED EFF -0.35%	Performance of American Water Works Co. Inc.	Morgan Stanley	22-Sep-20	(82,715)
USD	1,948,813	USD-FED EFF -0.35%	Performance of Avis Budget Group Inc.	Morgan Stanley	22-Sep-20	(185,709)
USD	375,174	USD-FED EFF -0.35%	Performance of Cheniere Energy Inc.	Morgan Stanley	22-Sep-20	(19,749)
USD	279,736	USD-FED EFF -0.35%	Performance of Dow Inc.	Morgan Stanley	22-Sep-20	(5,459)
USD	876,932	USD-FED EFF -0.35%	Performance of Fastenal Co.	Morgan Stanley	22-Sep-20	(69,186)
USD	57,780	USD-FED EFF -0.35%	Performance of Floor & Decor Holdings Inc.	Morgan Stanley	22-Sep-20	(4,167)
USD	669,321	USD-FED EFF -0.35%	Performance of Flowserve Corp.	Morgan Stanley	22-Sep-20	(49,090)
USD	477,960	USD-FED EFF -0.35%	Performance of GATX Corp.	Morgan Stanley	22-Sep-20	(29,200)
USD	1,588,912	USD-FED EFF -0.35%	Performance of Huntington Ingalls Industries Inc.	Morgan Stanley	22-Sep-20	(100,193)
USD	1,468,286	USD-FED EFF -0.35%	Performance of Illinois Tool Works Inc.	Morgan Stanley	22-Sep-20	(75,316)
USD	1,063,163	USD-FED EFF -0.35%	Performance of Lincoln Electric Holdings Inc.	Morgan Stanley	22-Sep-20	(15,756)
USD	1,149,062	USD-FED EFF -0.35%	Performance of Lowe's Cos. Inc.	Morgan Stanley	22-Sep-20	79,160
USD	294,088	USD-FED EFF -0.35%	Performance of Macy's Inc.	Morgan Stanley	22-Sep-20	(2,535)
USD	787,587	USD-FED EFF -0.35%	Performance of Mondelez International Inc., A	Morgan Stanley	22-Sep-20	(92,524)
USD	290,276	USD-FED EFF -0.35%	Performance of Monro Inc.	Morgan Stanley	22-Sep-20	(1,350)
USD	819,295	USD-FED EFF -0.35%	Performance of MSPSMLP Index	Morgan Stanley	22-Sep-20	(114,938)
USD	5,594,973	USD-FED EFF -0.35%	Performance of Northrop Grumman Corp.	Morgan Stanley	22-Sep-20	(364,918)
USD	1,432,747	USD-FED EFF -0.35%	Performance of Old Dominion Freight Line Inc.	Morgan Stanley	22-Sep-20	(51,064)
USD	1,982,487	USD-FED EFF -0.35%	Performance of Parker-Hannifin Corp.	Morgan Stanley	22-Sep-20	(63,214)
USD	278,678	USD-FED EFF -0.35%	Performance of Pinterest Inc., A	Morgan Stanley	22-Sep-20	18,223
USD	84,517	USD-FED EFF -0.35%	Performance of Playa Hotels & Resorts NV	Morgan Stanley	22-Sep-20	(5,881)
USD	328,587	USD-FED EFF -0.35%	Performance of Qorvo Inc.	Morgan Stanley	22-Sep-20	(11,676)
USD	1,521,325	USD-FED EFF -0.35%	Performance of Schneider National Inc., B	Morgan Stanley	22-Sep-20	112,902
USD	128,786	USD-FED EFF -0.35%	Performance of Scorpio Bulkers Inc.	Morgan Stanley	22-Sep-20	(12,727)
USD	659,043	USD-FED EFF -0.35%	Performance of SiteOne Landscape Supply Inc.	Morgan Stanley	22-Sep-20	(49,708)
USD	2,667,465	USD-FED EFF -0.35%	Performance of The Boeing Co.	Morgan Stanley	22-Sep-20	(20,192)
USD	497,721	USD-FED EFF -0.35%	Performance of The Scotts Co., A	Morgan Stanley	22-Sep-20	(57,714)
USD	381,690	USD-FED EFF -0.35%	Performance of Toll Brothers Inc.	Morgan Stanley	22-Sep-20	12,107
USD	2,758,628	USD-FED EFF -0.35%	Performance of TransDigm Group Inc.	Morgan Stanley	22-Sep-20	(61,747)
USD	336,104	USD-FED EFF -0.35%	Performance of United Airlines Holdings Inc.	Morgan Stanley	22-Sep-20	(2,957)
USD	1,704,300	USD-FED EFF -0.35%	Performance of Wabtec Corp.	Morgan Stanley	22-Sep-20	11,379
USD	424,130	USD-FED EFF -0.35%	Performance of Wayfair Inc., A	Morgan Stanley	22-Sep-20	(26,842)
USD	316,641	USD-FED EFF -0.35%	Performance of World Wrestling Entertainment Inc.	Morgan Stanley	22-Sep-20	7,361
USD	949,087	USD-FED EFF -0.35%	Performance of Yum China Holdings Inc.	Morgan Stanley	22-Sep-20	(82,159)
USD	4,105,551	USD-FED EFF -0.63%	Performance of XPO Logistics Inc.	Morgan Stanley	22-Sep-20	(425,992)
CAD	798,270	DISC -0.35%	Performance of Westshore Terminals Investment Corp.	Morgan Stanley	12-Jan-21	(45,564)
AUD	330,885	AUD-RBACR -0.50%	Performance of BHP Group Ltd.	Morgan Stanley	29-Jan-21	(37,162)
AUD	12,810,989	Performance of Fortescue Metals Group Ltd.	1-month BBSW +0.55%	Morgan Stanley	29-Jan-21	875,314

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
CHF	861,341	CHF-SARON -0.40%	Performance of Partners Group Holding AG	Morgan Stanley	08-Feb-21	(44,010)
CHF	1,223,099	CHF-SARON -0.40%	Performance of Stadler Rail AG	Morgan Stanley	08-Feb-21	(106,618)
USD	1,188,263	Performance of Carnival PLC	USD-FED EFF +0.65%	Morgan Stanley	17-Mar-21	(245,261)
USD	3,267,561	Performance of Inmarsat PLC	USD-FED EFF +0.65%	Morgan Stanley	17-Mar-21	(50,246)
SEK	2,250,614	1-week SEK STIBOR -0.50%	Performance of Epiroc AB, A	Morgan Stanley	18-May-21	(12,808)
HKD	10,842,278	Performance of Anhui Conch Cement Co. Ltd., H	1-month HKD LIBOR +0.95%	Morgan Stanley	18-Jun-21	48,591
						<u>353,153</u>

Franklin K2 Global Macro Opportunities Fund

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
IDR	1,631,000,000	Performance of Indonesia Treasury Bond, senior note, 8.125%, 05/15/24	3-month USD LIBOR +6.00%	Bank of America	15-Apr-20	(1,916)
IDR	248,000,000	Performance of Indonesia Treasury Bond, senior bond, 8.25%, 06/15/32	3-month USD LIBOR +6.00%	Bank of America	22-Jun-20	395
EGP	1,200,000	Performance of Egypt Treasury Bill, 0.00%, 08/13/19	0.00%	Deutsche Bank	13-Aug-19	7,396
IDR	335,000,000	Performance of Indonesia Treasury Bond, senior bond, 8.25%, 06/15/32	3-month USD LIBOR +6.00%	Deutsche Bank	17-May-24	(553)
IDR	1,812,000,000	Performance of Indonesia Treasury Bond, senior bond, 8.25%, 06/15/32	3-month USD LIBOR +6.00%	Deutsche Bank	17-Jun-32	396
						<u>5,718</u>

Franklin K2 Long Short Credit Fund

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
IDR	4,018,000,000	Performance of Indonesia Treasury Bond, senior note, 8.125%, 05/15/24	3-month USD LIBOR +6.00%	Bank of America	15-Apr-20	(6,730)
IDR	566,000,000	Performance of Indonesia Treasury Bond, senior note, 8.125%, 05/15/24	3-month USD LIBOR +6.00%	Bank of America	22-Jun-20	902
USD	246,477	Performance of Energy Transfer LP	1-month USD LIBOR +0.65%	Citigroup	22-Jun-20	(2,357)
EGP	2,800,000	Performance of Egypt Treasury Bill, 0.00%, 08/13/19	0.00%	Deutsche Bank	13-Aug-19	17,257
IDR	766,000,000	Performance of Indonesia Treasury Bond, senior note, 8.125%, 05/15/24	3-month USD LIBOR +6.00%	Deutsche Bank	17-May-24	(1,265)
IDR	4,464,000,000	Performance of Indonesia Treasury Bond, senior bond, 8.25%, 06/15/32	3-month USD LIBOR +6.00%	Deutsche Bank	17-Jun-32	976
USD	65,908	Performance of CNX Resources Corp.	1-month USD LIBOR +0.40%	Goldman Sachs	06-May-20	(6,903)
USD	693,000	3-month USD LIBOR	Performance of iBoxx USD Liquid Investment Grade Index	JPMorgan	20-Sep-19	(24,277)
USD	30,428	Performance of Energy Transfer LP	1-month USD LIBOR +0.80%	JPMorgan	21-Nov-19	(5,745)
USD	251,191	Performance of Energy Transfer LP	1-month USD LIBOR +0.65%	JPMorgan	29-Nov-19	18,572
USD	86,063	Performance of Energy Transfer LP	1-month USD LIBOR +0.65%	JPMorgan	10-Jun-20	(5,416)
USD	341,000	3-month USD LIBOR	Performance of iBoxx USD Liquid Investment Grade Index	Morgan Stanley	20-Sep-19	(12,001)
USD	47,962	Performance of SunCoke Energy Partners LP	1-month USD LIBOR +2.50%	Morgan Stanley	14-Oct-19	(3,472)
						<u>(30,459)</u>

Notes to the Financial Statements (continued)

At June 30, 2019

Note 10 — Open positions on total return swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Strategic Income Fund

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
USD	21,000,000	Performance of Markit iBoxx USD Liquid Leveraged Loans Index Series 1 Version 1	3-month USD BBA LIBOR	Credit Suisse	20-Mar-20	108,593
USD	44,100,000	Performance of Markit iBoxx USD Liquid Leveraged Loans Index Series 1 Version 1	3-month USD BBA LIBOR	Goldman Sachs	20-Dec-19	255,217
USD	33,900,000	Performance of Markit iBoxx USD Liquid Leveraged Loans Index Series 1 Version 1	3-month USD BBA LIBOR	Goldman Sachs	20-Mar-20	312,540
USD	17,300,000	Performance of Markit iBoxx USD Liquid Leveraged Loans Index Series 1 Version 1	3-month USD BBA LIBOR	JPMorgan	20-Dec-19	35,232
USD	21,500,000	Performance of Markit iBoxx USD Liquid Leveraged Loans Index Series 1 Version 1	3-month USD BBA LIBOR	Morgan Stanley	20-Dec-19	180,612
						<u>892,194</u>

Franklin U.S. Low Duration Fund

Trading currency	Notional amount	Fund receives	Fund pays	Counterparty	Maturity date	Unrealised profit/(loss) USD
USD	9,200,000	Performance of Markit iBoxx USD Liquid Leveraged Loans Index Series 1 Version 1	3-month USD BBA LIBOR	Credit Suisse	20-Mar-20	47,574
USD	1,800,000	Performance of Markit iBoxx USD Liquid Leveraged Loans Index Series 1 Version 1	3-month USD BBA LIBOR	Goldman Sachs	20-Sep-19	22,588
USD	14,700,000	Performance of Markit iBoxx USD Liquid Leveraged Loans Index Series 1 Version 1	3-month USD BBA LIBOR	Goldman Sachs	20-Mar-20	135,526
USD	740,000	Performance of Markit iBoxx USD Liquid Leveraged Loans Index Series 1 Version 1	3-month USD BBA LIBOR	JPMorgan	20-Sep-19	14,781
USD	7,500,000	Performance of Markit iBoxx USD Liquid Leveraged Loans Index Series 1 Version 1	3-month USD BBA LIBOR	JPMorgan	20-Dec-19	15,274
USD	9,300,000	Performance of Markit iBoxx USD Liquid Leveraged Loans Index Series 1 Version 1	3-month USD BBA LIBOR	Morgan Stanley	20-Dec-19	78,125
						<u>313,868</u>

Note 11 — Open positions on credit default swap contracts

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Flexible Alpha Bond Fund

Nominal	Description	Interest paid/received %	Counterparty	Buy/Sell Protection	Trading currency	Market value USD	Unrealised profit/(loss) USD
1,300,000	American Airlines Group Inc., senior note, 144A, 5.50%, 10/01/19, Dec. 2019	5.00	Barclays	Buy	USD	(29,661)	83,005
2,850,000	Boyd Gaming Corp., senior sub. bond, 7.125%, 02/01/16, Jun. 2022	5.00	Barclays	Buy	USD	(380,194)	122,549
1,250,000	DISH DBS Corp., senior bond, 6.75%, 06/01/21, Dec. 2020	5.00	Barclays	Buy	USD	(69,910)	43,155
1,600,000	Government of Italy, senior bond, 6.875%, 09/27/23, Jun. 2023	1.00	Barclays	Buy	USD	11,881	(5,253)
900,000	Government of Turkey, senior bond, 11.875%, 01/15/30, Dec. 2019	1.00	Barclays	Buy	USD	4,566	(51,399)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 11 — Open positions on credit default swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Flexible Alpha Bond Fund (continued)

Nominal	Description	Interest paid/received %	Counterparty	Buy/Sell Protection	Trading currency	Market value USD	Unrealised profit/(loss) USD
1,000,000	Universal Health Services Inc., senior secured note, first lien, 144A, 3.75%, 08/01/19, Sep. 2019	5.00	Barclays	Buy	USD	(11,414)	103,831
430,000	American Airlines Group Inc., senior note, 144A, 5.50%, 10/01/19, Dec. 2019	5.00	Citigroup	Buy	USD	(9,811)	26,985
1,150,000	Nabors Industries Inc., senior note, 5.50%, 01/15/23, Dec. 2021	1.00	Citigroup	Buy	USD	68,123	16,230
5,000,000	PHH Corp., senior note, 7.375%, 09/01/19, Sep. 2019	5.00	Goldman Sachs	Buy	USD	(55,400)	(85,021)
2,350,000	Ally Financial Inc., senior note, 7.50%, 09/15/20, Jun. 2024	5.00	JPMorgan	Buy	USD	(424,851)	(34,385)
1,000,000	Boyd Gaming Corp., senior sub. bond, 7.125%, 02/01/16, Jun. 2022	5.00	JPMorgan	Buy	USD	(133,401)	38,972
600,000	DISH DBS Corp., senior bond, 6.75%, 06/01/21, Jun. 2021	5.00	JPMorgan	Buy	USD	(41,619)	(13,127)
950,000	KB Home, senior note, 7.00%, 12/15/21, Mar. 2020	5.00	JPMorgan	Buy	USD	(33,032)	68,191
2,250,000	Navient Corp., senior note, 5.50%, 01/25/23, Mar. 2020	5.00	JPMorgan	Buy	USD	(75,781)	95,275
4,250,000	Energy Transfer LP, senior secured bond, first lien, 5.875%, 01/15/24, Dec. 2020	5.00	Morgan Stanley	Buy	USD	(300,867)	253,543
1,250,000	DISH DBS Corp., senior bond, 6.75%, 06/01/21, Dec. 2022	5.00	Barclays	Sell	USD	72,771	6,813
300,000	Government of Argentina, senior note, 7.50%, 04/22/26, Jun. 2023	5.00	Barclays	Sell	USD	(43,773)	19,227
1,600,000	Government of Italy, senior bond, 6.875%, 09/27/23, Jun. 2023	1.00	Barclays	Sell	USD	(45,764)	29,368
770,000	BNP Paribas Bespoke Bordeaux 7-10% Tranche Index, Jun. 2020	2.10	BNP Paribas	Sell	USD	4,820	4,820
300,000	BNP Paribas Bespoke Rodez 5-7% Mezz Tranche Index, Dec. 2020	3.20	BNP Paribas	Sell	USD	5,200	5,200
600,000	BNP Paribas Bespoke Rodez 5-7% Tranche Index, Dec. 2020	2.00	BNP Paribas	Sell	USD	(2,164)	(2,164)
560,000	Government of Russia, senior bond, Reg S, 7.50%, 03/31/30, Jun. 2024	1.00	BNP Paribas	Sell	USD	(3,621)	3,894
10,400,000	Citibank Bespoke Boulder Portfolio CDX Index, Dec. 2019	1.24	Citigroup	Sell	USD	34,532	34,532
2,700,000	Citibank Bespoke Cambridge 0-3% Equity Tranche Index, Dec. 2019	-	Citigroup	Sell	USD	(635,699)	(206,399)
1,500,000	Citibank Bespoke Lima 5-7% Tranche Index, Dec. 2019	2.13	Citigroup	Sell	USD	(16,475)	(16,474)
640,000	Citibank Bespoke Palma 5-7% Tranche Index, Jun. 2021	2.30	Citigroup	Sell	USD	3,676	3,676
800,000	Citibank Bespoke Phoenix 5-7% Tranche Index, Dec. 2021	2.90	Citigroup	Sell	USD	6,726	6,726
550,000	Citibank Bespoke Verona Index, Dec. 2019	-	Citigroup	Sell	USD	(113,892)	20,858
2,800,000	Citibank Bespoke Verona Index, Dec. 2019	0.40	Citigroup	Sell	USD	2,581	2,581
725,000	Government of Argentina, senior note, 7.50%, 04/22/26, Dec. 2023	5.00	Citigroup	Sell	USD	(111,866)	(69,233)
865,000	Government of Indonesia, Reg S, 5.875%, 03/13/20, Jun. 2024	1.00	Citigroup	Sell	USD	3,828	6,798
1,250,000	Government of Spain, senior bond, Reg S, 5.01%, 11/21/44, Jun. 2024	1.00	Citigroup	Sell	USD	36,240	2,941
10,920,000	MCDX.NA.31, Dec. 2023	1.00	Citigroup	Sell	USD	209,523	100,135
1,150,000	Nabors Industries Inc., senior note, 5.50%, 01/15/23, Dec. 2023	1.00	Citigroup	Sell	USD	(185,196)	(9,591)
600,000	DISH DBS Corp., senior bond, 6.75%, 06/01/21, Jun. 2023	5.00	JPMorgan	Sell	USD	28,239	36,562

Notes to the Financial Statements (continued)

At June 30, 2019

Note 11 — Open positions on credit default swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Flexible Alpha Bond Fund (continued)

Nominal	Description	Interest paid/received %	Counterparty	Buy/Sell Protection	Trading currency	Market value USD	Unrealised profit/(loss) USD
2,350,000	Morgan Stanley, senior note, 3.75%, 02/25/23, Jun. 2024	1.00	JPMorgan	Sell	USD	47,617	13,548
2,350,000	The Goldman Sachs Group Inc., senior note, 2.908% to 06/05/22, FRN thereafter, 06/05/23, Jun. 2024	1.00	JPMorgan	Sell	USD	40,817	23,891
850,000	Morgan Stanley Bespoke Pecan 5-10% Mezz Trach CDX, Dec. 2021	4.10	Morgan Stanley	Sell	USD	12,105	12,105
850,000	Morgan Stanley Bespoke Pecan 5-10% Mezz Trach CDX, Mar. 2022	3.98	Morgan Stanley	Sell	USD	12,773	12,773
						(2,118,373)	705,138

Franklin K2 Alternative Strategies Fund

Nominal	Description	Interest paid/received %	Counterparty	Buy/Sell Protection	Trading currency	Market value USD	Unrealised profit/(loss) USD
650,000	Enel SpA, senior bond, Reg S, 5.25%, 05/20/24, Jun. 2023	1.00	Bank of America	Buy	EUR	(13,574)	(11,718)
886,000	Dean Foods Co., senior note, Reg S, 6.50%, 03/15/23, Jun. 2020	5.00	JPMorgan	Buy	USD	155,247	26,777
3,280,000	Government of Mexico, senior note, 4.15%, 03/28/27, Dec. 2023	1.00	JPMorgan	Buy	USD	(551)	(551)
3,173,000	Government of Mexico, senior note, 4.15%, 03/28/27, Jun. 2023	1.00	JPMorgan	Buy	USD	(17,023)	(17,023)
1,557,000	Government of South Africa, 5.50%, 03/09/20, Dec. 2022	1.00	JPMorgan	Buy	USD	14,145	14,145
724,000	Government of South Africa, 5.50%, 03/09/20, Jun. 2022	1.00	JPMorgan	Buy	USD	2,574	2,574
5,690,000	Government of South Africa, 5.50%, 03/09/20, Jun. 2024	1.00	JPMorgan	Buy	USD	175,865	175,866
613,000	Government of Turkey, senior bond, 11.875%, 01/15/30, Dec. 2022	1.00	JPMorgan	Buy	USD	52,092	52,092
1,774,000	Government of Turkey, senior bond, 11.875%, 01/15/30, Sep. 2020	1.00	JPMorgan	Buy	USD	37,487	(100,165)
3,481,931	Korea Treasury Bond, senior note, 7.125%, 04/16/19, Jun. 2024	1.00	JPMorgan	Buy	USD	(113,157)	(113,157)
705,000	Enel SpA, senior bond, Reg S, 5.25%, 05/20/24, Dec. 2023	1.00	Morgan Stanley	Buy	EUR	(12,822)	(17,230)
3,700,000	CDX.NA.HY.32, Version 1, Jun. 2024	5.00	JPMorgan	Sell	USD	282,198	59,047
426,000	Government of Russia, senior bond, Reg S, 7.50%, 03/31/30, Jun. 2022	1.00	JPMorgan	Sell	USD	2,677	14,552
4,583,000	Government of Russia, senior bond, Reg S, 7.50%, 03/31/30, Jun. 2024	1.00	JPMorgan	Sell	USD	(28,511)	(28,511)
						536,647	56,698

Franklin K2 Global Macro Opportunities Fund

Nominal	Description	Interest paid/received %	Counterparty	Buy/Sell Protection	Trading currency	Market value USD	Unrealised profit/(loss) USD
56,000	Government of Mexico, senior note, 4.15%, 03/28/27, Dec. 2023	1.00	JPMorgan	Buy	USD	(9)	(9)
200,000	Government of Mexico, senior note, 4.15%, 03/28/27, Jun. 2023	1.00	JPMorgan	Buy	USD	(1,073)	(1,073)
117,000	Government of South Africa, 5.50%, 03/09/20, Jun. 2022	1.00	JPMorgan	Buy	USD	416	416
270,000	Government of South Africa, 5.50%, 03/09/20, Jun. 2024	1.00	JPMorgan	Buy	USD	8,345	(3,457)
31,000	Government of Turkey, senior bond, 11.875%, 01/15/30, Jun. 2022	1.00	JPMorgan	Buy	USD	2,216	983

Notes to the Financial Statements (continued)

At June 30, 2019

Note 11 — Open positions on credit default swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Global Macro Opportunities Fund (continued)

Nominal	Description	Interest paid/received %	Counterparty	Buy/Sell Protection	Trading currency	Market value USD	Unrealised profit/(loss) USD
168,000	Government of Turkey, senior bond, 11.875%, 01/15/30, Jun. 2024	1.00	JPMorgan	Buy	USD	21,252	21,252
121,654	Korea Treasury Bond, senior note, 7.125%, 04/16/19, Jun. 2024	1.00	JPMorgan	Buy	USD	(3,954)	(3,954)
317,000	Government of Russia, senior bond, Reg S, 7.50%, 03/31/30, Jun. 2024	1.00	JPMorgan	Sell	USD	(1,972)	(1,972)
66,000	Government of South Africa, 5.50%, 03/09/20, Dec. 2022	1.00	JPMorgan	Sell	USD	(600)	(600)
103,000	Government of Turkey, senior bond, 11.875%, 01/15/30, Dec. 2022	1.00	JPMorgan	Sell	USD	(8,752)	(4,231)
						15,869	7,355

Franklin K2 Long Short Credit Fund

Nominal	Description	Interest paid/received %	Counterparty	Buy/Sell Protection	Trading currency	Market value USD	Unrealised profit/(loss) USD
198,000	Lloyds Bank PLC, 0.0001%, 02/20/49, Dec. 2022	1.00	Bank of America	Buy	EUR	(3,355)	(645)
45,000	Nordstrom Inc., senior bond, Jun. 2024	1.00	Bank of America	Buy	USD	2,279	(123)
28,000	Staples Inc., senior note, 144A, 8.50%, 09/15/25, Jun. 2024	5.00	Bank of America	Buy	USD	810	(154)
45,000	Centurylink Inc., senior note, 6.15%, 09/15/19, Dec. 2023	1.00	Barclays	Buy	USD	2,891	(1,759)
177,000	Chesapeake Energy Corp., senior note, 6.625%, 08/15/20, Dec. 2023	5.00	Barclays	Buy	USD	17,539	9,525
102,000	Hertz Corp., senior note, 5.875%, 10/15/20, Dec. 2021	5.00	Barclays	Buy	USD	(8,254)	(6,051)
58,000	Hertz Corp., senior note, 5.875%, 10/15/20, Jun. 2020	5.00	Barclays	Buy	USD	(2,550)	(2,204)
138,000	Hertz Corp., senior note, 5.875%, 10/15/20, Jun. 2024	5.00	Barclays	Buy	USD	(3,760)	(3,320)
74,000	Hertz Corp., senior note, 7.50%, 10/15/18, Jun. 2022	5.00	Barclays	Buy	USD	(6,129)	(16,540)
54,000	Jaguar Land Rover Automotive PLC, senior note, Reg S, 5.00%, 02/15/22, Dec. 2023	5.00	Barclays	Buy	EUR	2,476	(5,073)
196,000	K. Hovnanian Enterprises Inc., secured note, second lien, 144A, 10.50%, 07/15/24, Dec. 2022	5.00	Barclays	Buy	USD	64,602	(19,911)
54,000	K. Hovnanian Enterprises Inc., senior note, Reg S, 10.00%, 07/15/22, Jun. 2024	5.00	Barclays	Buy	USD	21,252	(2,306)
9,512,000	SoftBank Group Corp., senior note, Dec. 2023	1.00	Barclays	Buy	JPY	1,808	(1,775)
28,536,000	SoftBank Group Corp., senior note, Jun. 2024	1.00	Barclays	Buy	JPY	7,447	(2,468)
121,000	Staples Inc., senior note, 144A, 8.50%, 09/15/25, Jun. 2024	5.00	Barclays	Buy	USD	3,501	(1,497)
18,000	Transocean Inc., senior bond, 4.30%, 10/15/22, Dec. 2023	5.00	Barclays	Buy	USD	102	(2,221)
18,000	Transocean Inc., senior bond, 4.30%, 10/15/22, Jun. 2024	1.00	Barclays	Buy	USD	3,338	743
47,000	Altice Luxembourg SA, senior note, Reg S, 7.25%, 05/15/22, Jun. 2024	5.00	Citigroup	Buy	EUR	(109)	(1,111)
27,000	Centurylink Inc., senior note, 6.15%, 09/15/19, Dec. 2023	1.00	Citigroup	Buy	USD	1,735	(978)
45,000	Nordstrom Inc., senior bond, Jun. 2024	1.00	Citigroup	Buy	USD	2,279	29
49,000	Staples Inc., senior note, 144A, 8.50%, 09/15/25, Jun. 2024	5.00	Citigroup	Buy	USD	1,418	(312)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 11 — Open positions on credit default swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Long Short Credit Fund (continued)

Nominal	Description	Interest paid/received %	Counterparty	Buy/Sell Protection	Trading currency	Market value USD	Unrealised profit/(loss) USD
143,000	NRG Energy Inc., senior note, 6.25%, 05/01/24, Jun. 2024	5.00	Credit Suisse	Buy	USD	(25,814)	136
47,000	Altice Luxembourg SA, senior note, Reg S, 7.25%, 05/15/22, Jun. 2024	5.00	Goldman Sachs	Buy	EUR	(109)	(1,111)
10,000	Avis Budget Car Rental LLC/ Finance Inc., senior bond, Reg S, 5.25%, 03/15/25, Dec. 2022	5.00	Goldman Sachs	Buy	USD	(1,210)	(218)
90,000	Dean Foods Co., senior note, Res S, 6.50%, 03/15/23, Dec. 2019	5.00	Goldman Sachs	Buy	USD	8,563	1,750
27,000	Dean Foods Co., senior note, Res S, 6.50%, 03/15/23, Mar. 2020	5.00	Goldman Sachs	Buy	USD	3,709	923
255,000	Hertz Corp., senior note, 5.875%, 10/15/20, Dec. 2020	5.00	Goldman Sachs	Buy	USD	(15,721)	(13,269)
365,000	Hertz Corp., senior note, 5.875%, 10/15/20, Dec. 2021	5.00	Goldman Sachs	Buy	USD	(29,535)	(33,094)
56,000	Hertz Corp., senior note, 5.875%, 10/15/20, Jun. 2020	5.00	Goldman Sachs	Buy	USD	(2,462)	(2,400)
225,000	Hertz Corp., senior note, 5.875%, 10/15/20, Jun. 2022	5.00	Goldman Sachs	Buy	USD	(18,635)	(31,832)
276,000	Hertz Corp., senior note, 5.875%, 10/15/20, Jun. 2024	5.00	Goldman Sachs	Buy	USD	(7,521)	(30,684)
170,000	K. Hovnanian Enterprises Inc., secured note, second lien, 144A, 10.50%, 07/15/24, Jun. 2023	5.00	Goldman Sachs	Buy	USD	60,956	31,041
852,000	Kohl's Corp., senior note, 4.25%, 07/17/25, Jun. 2024	1.00	Goldman Sachs	Buy	USD	28,576	20,201
92,000	Lloyds Bank PLC, 0.0001%, 02/20/49, Jun. 2024	1.00	Goldman Sachs	Buy	EUR	(1,070)	(1,815)
138,000	MBIA Inc., senior bond, 6.625%, 10/01/28, Dec. 2023	5.00	Goldman Sachs	Buy	USD	(19,984)	(13,627)
181,200	Nordstrom Inc., senior bond, Jun. 2024	1.00	Goldman Sachs	Buy	USD	9,176	(292)
64,000	NRG Energy Inc., senior note, 6.25%, 05/01/24, Jun. 2024	5.00	Goldman Sachs	Buy	USD	(11,553)	247
19,024,000	SoftBank Group Corp., senior note, Dec. 2023	1.00	Goldman Sachs	Buy	JPY	3,616	(4,038)
114,000	Transocean Inc., senior bond, 4.30%, 10/15/22, Dec. 2023	5.00	Goldman Sachs	Buy	USD	644	11,728
91,000	Transocean Inc., senior bond, 4.30%, 10/15/22, Jun. 2023	5.00	Goldman Sachs	Buy	USD	(987)	3,609
166,000	Avis Budget Car Rental LLC/ Finance Inc., senior bond, Reg S, 5.25%, 03/15/25, Dec. 2022	5.00	JPMorgan	Buy	USD	(20,090)	(6,212)
595,000	Caterpillar Financial Services Corp., senior note, 2.25%, 12/01/19, Dec. 2021	1.00	JPMorgan	Buy	USD	(11,651)	(2,931)
2,350,000	CDX.NA.HY.27, Version 6, Dec. 2021	5.00	JPMorgan	Buy	USD	(135,188)	(135,188)
1,500,000	CDX.NA.HY.28, Version 5, Jun. 2022	5.00	JPMorgan	Buy	USD	(105,868)	(105,868)
2,150,000	CDX.NA.HY.31, Version 4, Dec. 2023	5.00	JPMorgan	Buy	USD	(173,010)	(67,026)
225,000	Dynegy Inc., senior note, 6.75%, 11/01/19, Dec. 2021	5.00	JPMorgan	Buy	USD	(22,943)	(27,997)
199,000	Government of Mexico, senior note, 4.15%, 03/28/27, Dec. 2023	1.00	JPMorgan	Buy	USD	(33)	(33)
445,000	Government of Mexico, senior note, 4.15%, 03/28/27, Jun. 2023	1.00	JPMorgan	Buy	USD	(2,387)	(2,387)
427,000	Government of South Africa, 5.50%, 03/09/20, Jun. 2022	1.00	JPMorgan	Buy	USD	1,518	1,518
395,000	Government of South Africa, 5.50%, 03/09/20, Jun. 2024	1.00	JPMorgan	Buy	USD	12,209	12,209
110,000	Government of Turkey, senior bond, 11.875%, 01/15/30, Jun. 2022	1.00	JPMorgan	Buy	USD	7,863	7,863

Notes to the Financial Statements (continued)

At June 30, 2019

Note 11 — Open positions on credit default swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Long Short Credit Fund (continued)

Nominal	Description	Interest paid/received %	Counterparty	Buy/Sell Protection	Trading currency	Market value USD	Unrealised profit/(loss) USD
245,000	Government of Turkey, senior bond, 11.875%, 01/15/30, Jun. 2024	1.00	JPMorgan	Buy	USD	30,993	30,993
95,000	Hertz Corp., senior note, 5.875%, 10/15/20, Dec. 2020	5.00	JPMorgan	Buy	USD	(5,856)	(2,558)
57,000	Hertz Corp., senior note, 5.875%, 10/15/20, Jun. 2024	5.00	JPMorgan	Buy	USD	(1,553)	(1,072)
13,000	Hertz Corp., senior note, 7.50%, 10/15/18, Jun. 2022	5.00	JPMorgan	Buy	USD	(1,077)	(3,301)
4,283,000	ITOCHU Corp., senior note, 1.91%, 09/13/19, Jun. 2022	1.00	JPMorgan	Buy	JPY	(979)	364
54,000	Jaguar Land Rover Automotive PLC, senior note, Reg S, 5.00%, 02/15/22, Dec. 2023	5.00	JPMorgan	Buy	EUR	2,476	(2,410)
3,783,000	JFE Holdings Inc., senior note, 1.32%, 06/08/21, Jun. 2022	1.00	JPMorgan	Buy	JPY	(797)	407
125,000	John Deere Capital Corp., senior note, 2.80%, 03/04/21, Dec. 2021	1.00	JPMorgan	Buy	USD	(2,408)	(39)
90,000	Kimco Realty Corp., senior note, 3.30%, 02/01/25, Jun. 2024	1.00	JPMorgan	Buy	USD	196	123
292,863	Korea Treasury Bond, senior note, 7.125%, 04/16/19, Jun. 2024	1.00	JPMorgan	Buy	USD	(9,518)	(9,518)
198,000	Lloyds Bank PLC, 0.0001%, 02/20/49, Dec. 2022	1.00	JPMorgan	Buy	EUR	(3,355)	(431)
91,000	Lloyds Banking Group PLC, sub. note, Jun. 2024	1.00	JPMorgan	Buy	EUR	2,224	(2,961)
6,257,000	Marubeni Corp., senior note, 1.50%, 06/14/21, Jun. 2022	1.00	JPMorgan	Buy	JPY	(1,272)	411
21,000	MBIA Inc., senior bond, 6.625%, 10/01/28, Dec. 2023	5.00	JPMorgan	Buy	USD	(3,041)	(2,122)
251,000	MBIA Inc., senior bond, 6.625%, 10/01/28, Jun. 2021	5.00	JPMorgan	Buy	USD	(21,518)	1,050
13,223,000	Mitsui OSK Lines Ltd., senior note, 1.139%, 07/12/22, Jun. 2022	1.00	JPMorgan	Buy	JPY	(1,285)	(52)
405,000	Simon Property Group LP, senior bond, 4.375%, 03/01/21, Jun. 2024	1.00	JPMorgan	Buy	USD	(8,754)	(2,320)
62,000	Staples Inc., senior note, 144A, 8.50%, 09/15/25, Jun. 2024	5.00	JPMorgan	Buy	USD	1,794	1,952
100,000	United Rentals North America Inc., senior bond, 6.125%, 06/15/23, Dec. 2021	5.00	JPMorgan	Buy	USD	(11,395)	3,885
31,000	K. Hovnanian Enterprises Inc., secured note, second lien, 144A, 10.50%, 07/15/24, Dec. 2023	5.00	Morgan Stanley	Buy	USD	11,694	1,809
107,000	K. Hovnanian Enterprises Inc., senior note, Reg S, 10.00%, 07/15/22, Dec. 2019	5.00	Morgan Stanley	Buy	USD	6,195	(1,824)
230,000	Transocean Inc., senior bond, 7.375%, 04/15/18, Dec. 2021	1.00	Morgan Stanley	Buy	USD	11,853	(26,117)
29,000	Avis Budget Car Rental LLC/ Finance Inc., senior bond, Reg S, 5.25%, 03/15/25, Dec. 2022	5.00	Barclays	Sell	USD	3,510	924
54,000	Jaguar Land Rover Automotive PLC, senior note, Reg S, 5.00%, 02/15/22, Dec. 2021	5.00	Barclays	Sell	EUR	891	3,544
167,000	K. Hovnanian Enterprises Inc., secured note, second lien, 144A, 10.50%, 07/15/24, Dec. 2020	5.00	Barclays	Sell	USD	(25,718)	1,072
14,000	K. Hovnanian Enterprises Inc., secured note, second lien, 144A, 10.50%, 07/15/24, Dec. 2023	5.00	Barclays	Sell	USD	(5,281)	1,548

Notes to the Financial Statements (continued)

At June 30, 2019

Note 11 — Open positions on credit default swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Long Short Credit Fund (continued)

Nominal	Description	Interest paid/received %	Counterparty	Buy/Sell Protection	Trading currency	Market value USD	Unrealised profit/(loss) USD
46,000	K. Hovnanian Enterprises Inc., secured note, second lien, 144A, 10.50%, 07/15/24, Dec. 2020	5.00	Goldman Sachs	Sell	USD	(7,084)	(1,858)
17,000	K. Hovnanian Enterprises Inc., secured note, second lien, 144A, 10.50%, 07/15/24, Dec. 2023	5.00	Goldman Sachs	Sell	USD	(6,413)	493
107,000	K. Hovnanian Enterprises Inc., senior note, Reg S, 10.00%, 07/15/22, Dec. 2019	5.00	Goldman Sachs	Sell	USD	(6,195)	2,285
380,000	CDX.NA.HY.31, Version 4, Dec. 2023	5.00	JPMorgan	Sell	USD	30,578	6,447
119,000	Government of Russia, senior bond, Reg S, 7.50%, 03/31/30, Jun. 2022	1.00	JPMorgan	Sell	USD	748	4,065
471,000	Government of Russia, senior bond, Reg S, 7.50%, 03/31/30, Jun. 2024	1.00	JPMorgan	Sell	USD	(2,930)	(2,930)
54,000	Government of South Africa, 5.50%, 03/09/20, Dec. 2022	1.00	JPMorgan	Sell	USD	(491)	(491)
124,000	Government of Turkey, senior bond, 11.875%, 01/15/30, Dec. 2022	1.00	JPMorgan	Sell	USD	(10,537)	(10,537)
54,000	Jaguar Land Rover Automotive PLC, senior note, Reg S, 5.00%, 02/15/22, Dec. 2021	5.00	JPMorgan	Sell	EUR	891	2,112
31,000	K. Hovnanian Enterprises Inc., secured note, second lien, 144A, 10.50%, 07/15/24, Dec. 2020	5.00	Morgan Stanley	Sell	USD	(4,774)	160
45,000	K. Hovnanian Enterprises Inc., secured note, second lien, 144A, 10.50%, 07/15/24, Dec. 2022	5.00	Morgan Stanley	Sell	USD	(14,832)	3,518
						(412,641)	(450,327)

Franklin Strategic Income Fund

Nominal	Description	Interest paid/received %	Counterparty	Buy/Sell Protection	Trading currency	Market value USD	Unrealised profit/(loss) USD
2,400,000	Government of Italy, senior bond, 6.875%, 09/27/23, Jun. 2023	1.00	Barclays	Buy	USD	17,821	(7,879)
1,666,667	Government of Turkey, senior bond, 11.875%, 01/15/30, Dec. 2019	1.00	Barclays	Buy	USD	8,456	(95,184)
4,000,000	CDX.NA.HY.32, Jun. 2024	5.00	Citigroup	Buy	USD	(301,235)	9,445
3,250,000	Ally Financial Inc., senior note, 7.50%, 09/15/20, Jun. 2024	5.00	JPMorgan	Buy	USD	(587,560)	(47,554)
2,400,000	Government of Italy, senior bond, 6.875%, 09/27/23, Jun. 2023	1.00	Barclays	Sell	USD	(68,647)	44,052
1,150,000	BNP Paribas Bespoke Bordeaux 7-10% Tranche Index, Jun. 2020	2.10	BNP Paribas	Sell	USD	7,198	7,198
540,000	BNP Paribas Bespoke Rodez 5-7% Mezz Tranche Index, Dec. 2020	3.20	BNP Paribas	Sell	USD	9,360	9,360
2,300,000	Government of Russia, senior bond, Reg S, 7.50%, 03/31/30, Jun. 2024	1.00	BNP Paribas	Sell	USD	(14,872)	15,994
7,100,000	CDX.EM.30, Dec. 2023	1.00	Citigroup	Sell	USD	(203,803)	115,444
1,200,000	Citibank Bespoke Bogota 06/20/20 7-10% Tranche Index, Jun. 2020	1.35	Citigroup	Sell	USD	2,414	2,414
5,000,000	Citibank Bespoke Cambridge 0-3% Equity Tranche Index, Dec. 2019	-	Citigroup	Sell	USD	(1,177,220)	(382,220)
900,000	Citibank Bespoke June-20 0-3% Tranche CDX Index, Jun. 2020	-	Citigroup	Sell	USD	(280,634)	(52,034)
1,100,000	Citibank Bespoke Palma 5-7% Tranche Index, Jun. 2021	2.30	Citigroup	Sell	USD	6,318	6,318
1,400,000	Citibank Bespoke Phoenix 5-7% Tranche Index, Dec. 2021	2.90	Citigroup	Sell	USD	11,771	11,771

Notes to the Financial Statements (continued)

At June 30, 2019

Note 11 — Open positions on credit default swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Strategic Income Fund (continued)

Nominal	Description	Interest paid/received %	Counterparty	Buy/Sell Protection	Trading currency	Market value USD	Unrealised profit/(loss) USD
600,000	Citibank Bespoke Singapore June - 20 0-3% Tranche CDX Index, Jun. 2020	-	Citigroup	Sell	USD	(98,274)	18,246
1,870,000	Citibank Bespoke Verona Index, Dec. 2019	-	Citigroup	Sell	USD	(387,233)	70,917
5,500,000	Citibank Bespoke Verona Index, Dec. 2019	0.40	Citigroup	Sell	USD	5,069	5,069
3,800,000	Government of Indonesia, Reg S, 5.875%, 03/13/20, Jun. 2024	1.00	Citigroup	Sell	USD	16,818	29,866
3,350,000	MCDX.NA.31, Dec. 2023	1.00	Citigroup	Sell	USD	64,277	30,719
8,050,000	Government of Argentina, senior note, 7.50%, 04/22/26, Jun. 2023	5.00	Morgan Stanley	Sell	USD	(1,174,565)	(2,021,668)
1,500,000	Morgan Stanley Bespoke Pecan 5-10% Mezz Trach CDX, Dec. 2021	4.10	Morgan Stanley	Sell	USD	21,362	21,362
1,500,000	Morgan Stanley Bespoke Pecan 5-10% Mezz Trach CDX, Mar. 2022	3.98	Morgan Stanley	Sell	USD	22,541	22,541
						(4,100,638)	(2,185,823)

Franklin U.S. Low Duration Fund

Nominal	Description	Interest paid/received %	Counterparty	Buy/Sell Protection	Trading currency	Market value USD	Unrealised profit/(loss) USD
1,100,000	Government of Italy, senior bond, 6.875%, 09/27/23, Jun. 2023	1.00	Barclays	Buy	USD	8,168	(3,611)
300,000	Government of Turkey, senior bond, 11.875%, 01/15/30, Dec. 2019	1.00	Barclays	Buy	USD	1,522	(17,133)
525,000	Nabors Industries Inc., senior note, 5.50%, 01/15/23, Dec. 2021	1.00	Citigroup	Buy	USD	31,099	10,562
2,600,000	Ally Financial Inc., senior note, 7.50%, 09/15/20, Jun. 2024	5.00	JPMorgan	Buy	USD	(470,048)	(38,044)
630,000	Government of Argentina, senior note, 7.50%, 04/22/26, Jun. 2023	5.00	Barclays	Sell	USD	(91,923)	40,378
1,100,000	Government of Italy, senior bond, 6.875%, 09/27/23, Jun. 2023	1.00	Barclays	Sell	USD	(31,463)	20,190
500,000	BNP Paribas Bespoke Rodez 5-7% Mezz Tranche Index, Dec. 2020	3.20	BNP Paribas	Sell	USD	8,667	8,667
800,000	Government of Russia, senior bond, Reg S, 7.50%, 03/31/30, Jun. 2024	1.00	BNP Paribas	Sell	USD	(5,173)	5,563
14,900,000	CDX.NA.IG.31, Dec. 2021	1.00	Citigroup	Sell	USD	334,962	98,045
900,000	Citibank Bespoke Cambridge 0-3% Equity Tranche Index, Dec. 2019	-	Citigroup	Sell	USD	(211,900)	(68,800)
1,000,000	Citibank Bespoke Palma 5-7% Tranche Index, Jun. 2021	2.30	Citigroup	Sell	USD	5,744	5,744
600,000	Citibank Bespoke Phoenix 5-7% Tranche Index, Dec. 2021	2.90	Citigroup	Sell	USD	5,045	5,045
750,000	Citibank Bespoke Singapore June - 20 0-3% Tranche CDX Index, Jun. 2020	-	Citigroup	Sell	USD	(122,843)	22,807
1,000,000	Citibank Bespoke Verona Index, Dec. 2019	-	Citigroup	Sell	USD	(207,077)	37,923
1,800,000	Citibank Bespoke Verona Index, Dec. 2019	0.40	Citigroup	Sell	USD	1,659	1,659
500,000	Government of Argentina, senior note, 7.50%, 04/22/26, Jun. 2023	5.00	Citigroup	Sell	USD	(72,954)	(60,459)
500,000	Government of Argentina, senior note, 7.50%, 04/22/26, Dec. 2023	5.00	Citigroup	Sell	USD	(77,149)	(47,747)
1,740,000	Government of Indonesia, Reg S, 5.875%, 03/13/20, Jun. 2024	1.00	Citigroup	Sell	USD	7,701	13,675
950,000	Government of Spain, senior bond, Reg S, 5.01%, 11/21/44, Jun. 2024	1.00	Citigroup	Sell	USD	27,542	2,235
525,000	Nabors Industries Inc., senior note, 5.50%, 01/15/23, Dec. 2023	1.00	Citigroup	Sell	USD	(84,546)	(9,260)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 11 — Open positions on credit default swap contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin U.S. Low Duration Fund (continued)

Nominal	Description	Interest paid/received %	Counterparty	Buy/Sell Protection	Trading currency	Market value USD	Unrealised profit/(loss) USD
3,100,000	American Tower Corp., senior note, 4.50%, 01/15/18, Mar. 2021	1.00	Goldman Sachs	Sell	USD	1,418	54,928
2,600,000	Morgan Stanley, senior note, 3.75%, 02/25/23, Jun. 2024	1.00	JPMorgan	Sell	USD	52,683	14,990
2,600,000	The Goldman Sachs Group Inc., senior note, 2.908% to 06/05/22, FRN thereafter, 06/05/23, Jun. 2024	1.00	JPMorgan	Sell	USD	45,159	26,433
650,000	Morgan Stanley Bespoke Pecan 5-10% Mezz Trach CDX, Dec. 2021	4.10	Morgan Stanley	Sell	USD	9,257	9,257
650,000	Morgan Stanley Bespoke Pecan 5-10% Mezz Trach CDX, Mar. 2022	3.98	Morgan Stanley	Sell	USD	9,768	9,768
						(824,682)	142,815

Note 12 — Open positions on option contracts

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Brazil Opportunities Fund

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Currency Option Purchase	BRL/USD, Put Option, Strike Price 3700, Sep. 2019	Guide Investimentos	BRL	100	4,812,695	32,518	7,310
Sale	BRL/USD, Put Option, Strike Price 3600, Sep. 2019	Guide Investimentos	BRL	(100)	4,682,622	(11,774)	(448)
						20,744	6,862

Franklin Diversified Balanced Fund

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment EUR	Market value EUR	Unrealised profit/(loss) EUR
Index Option Purchase	Euro STOXX 50 Index, Put Option, Strike Price 3050, Dec. 2019	Citigroup	EUR	139	4,828,429	51,986	(22,133)
Purchase	S&P 500 Index, Put Option, Strike Price 2000, Dec. 2020	Citigroup	USD	19	4,916,518	49,804	(114,826)
Purchase	S&P 500 Index, Put Option, Strike Price 2075, Dec. 2020	Citigroup	USD	19	4,916,518	60,082	(87,311)
Purchase	DAX Index, Put Option, Strike Price 9000, Dec. 2020	JPMorgan	EUR	126	7,811,244	99,981	(28,489)
Purchase	Euro STOXX 50 Index, Put Option, Strike Price 2550, Dec. 2020	JPMorgan	EUR	165	5,731,589	87,120	(31,589)
Purchase	Euro STOXX 50 Index, Put Option, Strike Price 3050, Dec. 2019	JPMorgan	EUR	139	4,828,429	51,986	(27,530)
Purchase	Euro STOXX 50 Index, Put Option, Strike Price 3100, Dec. 2019	JPMorgan	EUR	272	9,448,437	119,136	(18,512)
Purchase	Russell 2000 Index, Put Option, Strike Price 1150, Dec. 2020	JPMorgan	USD	38	5,236,375	87,943	(18,699)
Purchase	S&P 500 Index, Put Option, Strike Price 2150, Dec. 2020	JPMorgan	USD	50	12,938,206	189,559	(36,768)
Purchase	S&P 500 Index, Put Option, Strike Price 2600, Dec. 2019	JPMorgan	USD	111	28,722,818	371,025	(121,106)
Purchase	S&P 500 Index, Put Option, Strike Price 2650, Dec. 2019	JPMorgan	USD	111	28,722,818	448,159	(11,335)
Purchase	S&P 500 Index, Put Option, Strike Price 2025, Dec. 2020	Merrill Lynch	USD	19	4,916,518	52,980	(85,724)
Purchase	S&P 500 Index, Put Option, Strike Price 2050, Dec. 2020	Merrill Lynch	USD	39	10,091,801	115,952	(187,705)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Diversified Balanced Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment EUR	Market value EUR	Unrealised profit/(loss) EUR
Purchase	S&P 500 Index, Put Option, Strike Price 2075, Dec. 2020	Merrill Lynch	USD	19	4,916,519	60,083	(77,917)
Sale	NASDAQ 100 Stock Index, Call Option, Strike Price 7618.7227, Jun. 2019	Barclays	USD	(2,333)	15,742,286	(107,435)	(7,268)
Sale	MSCI Emerging Markets Index, Call Option, Strike Price 1036.729, Jun. 2019	JPMorgan	USD	(4,971)	4,612,472	(78,886)	(59,417)
						1,659,475	(936,329)

Franklin Diversified Conservative Fund

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment EUR	Market value EUR	Unrealised profit/(loss) EUR
Index Option							
Purchase	Euro STOXX 50 Index, Put Option, Strike Price 3050, Dec. 2019	Citigroup	EUR	93	3,230,532	34,782	(14,808)
Purchase	S&P 500 Index, Put Option, Strike Price 2000, Dec. 2020	Citigroup	USD	11	2,846,405	28,834	(66,478)
Purchase	S&P 500 Index, Put Option, Strike Price 2075, Dec. 2020	Citigroup	USD	11	2,846,405	34,784	(50,548)
Purchase	DAX Index, Put Option, Strike Price 9000, Dec. 2020	JPMorgan	EUR	41	2,541,754	32,534	(9,247)
Purchase	Euro STOXX 50 Index, Put Option, Strike Price 2550, Dec. 2020	JPMorgan	EUR	53	1,841,056	27,984	(10,124)
Purchase	Euro STOXX 50 Index, Put Option, Strike Price 3100, Dec. 2019	JPMorgan	EUR	61	2,118,951	26,718	(4,152)
Purchase	Russell 2000 Index, Put Option, Strike Price 1150, Dec. 2020	JPMorgan	USD	12	1,653,592	27,771	(5,927)
Purchase	S&P 500 Index, Put Option, Strike Price 2150, Dec. 2020	JPMorgan	USD	15	3,881,462	56,868	(11,093)
Purchase	S&P 500 Index, Put Option, Strike Price 2600, Dec. 2019	JPMorgan	USD	37	9,574,273	123,675	(47,245)
Purchase	S&P 500 Index, Put Option, Strike Price 2650, Dec. 2019	JPMorgan	USD	25	6,469,103	100,937	(2,553)
Purchase	S&P 500 Index, Put Option, Strike Price 2025, Dec. 2020	Merrill Lynch	USD	11	2,846,405	30,672	(49,629)
Purchase	S&P 500 Index, Put Option, Strike Price 2050, Dec. 2020	Merrill Lynch	USD	23	5,951,575	68,382	(110,639)
Purchase	S&P 500 Index, Put Option, Strike Price 2075, Dec. 2020	Merrill Lynch	USD	11	2,846,406	34,785	(45,110)
Sale	NASDAQ 100 Stock Index, Call Option, Strike Price 7618.7227, Jun. 2019	Barclays	USD	(518)	3,495,287	(23,854)	(1,614)
Sale	MSCI Emerging Markets Index, Call Option, Strike Price 1036.729, Jun. 2019	JPMorgan	USD	(1,015)	941,794	(16,107)	(12,132)
						588,765	(441,299)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Diversified Dynamic Fund

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment EUR	Market value EUR	Unrealised profit/(loss) EUR
Index Option Purchase	Euro STOXX 50 Index, Put Option, Strike Price 3050, Dec. 2019	Citigroup	EUR	121	4,203,165	45,254	(19,267)
Purchase	S&P 500 Index, Put Option, Strike Price 2000, Dec. 2020	Citigroup	USD	13	3,363,934	34,077	(78,565)
Purchase	S&P 500 Index, Put Option, Strike Price 2075, Dec. 2020	Citigroup	USD	13	3,363,933	41,109	(59,738)
Purchase	DAX Index, Put Option, Strike Price 9000, Dec. 2020	JPMorgan	EUR	96	5,951,424	76,176	(21,727)
Purchase	Euro STOXX 50 Index, Put Option, Strike Price 2550, Dec. 2020	JPMorgan	EUR	132	4,585,271	69,696	(25,241)
Purchase	Euro STOXX 50 Index, Put Option, Strike Price 3050, Dec. 2019	JPMorgan	EUR	120	4,168,428	44,880	(23,767)
Purchase	Euro STOXX 50 Index, Put Option, Strike Price 3100, Dec. 2019	JPMorgan	EUR	236	8,197,908	103,368	(16,062)
Purchase	Russell 2000 Index, Put Option, Strike Price 1150, Dec. 2020	JPMorgan	USD	30	4,133,981	69,429	(14,819)
Purchase	S&P 500 Index, Put Option, Strike Price 2150, Dec. 2020	JPMorgan	USD	39	10,091,801	147,856	(28,842)
Purchase	S&P 500 Index, Put Option, Strike Price 2600, Dec. 2019	JPMorgan	USD	97	25,100,120	324,229	(105,855)
Purchase	S&P 500 Index, Put Option, Strike Price 2650, Dec. 2019	JPMorgan	USD	97	25,100,120	391,635	(9,905)
Purchase	S&P 500 Index, Put Option, Strike Price 2025, Dec. 2020	Merrill Lynch	USD	13	3,363,934	36,249	(58,653)
Purchase	S&P 500 Index, Put Option, Strike Price 2050, Dec. 2020	Merrill Lynch	USD	27	6,986,631	80,274	(129,906)
Purchase	S&P 500 Index, Put Option, Strike Price 2075, Dec. 2020	Merrill Lynch	USD	13	3,363,934	41,109	(53,312)
Sale	NASDAQ 100 Stock Index, Call Option, Strike Price 7618.7227, Jun. 2019	Barclays	USD	(2,033)	13,717,988	(93,620)	(6,333)
Sale	MSCI Emerging Markets Index, Call Option, Strike Price 1036.729, Jun. 2019	JPMorgan	USD	(4,237)	3,931,411	(67,238)	(50,644)
						1,344,483	(702,636)

Franklin Flexible Alpha Bond Fund

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Swapion Purchase	Credit default swap CDX.NA.IG.32, 1.00%, 06/20/24, Strike Price 60, Sep. 2019	Barclays	USD	10,500,000	10,500,000	18,637	(1,050)
Purchase	Credit default swap CDX.NA.IG.32, 1.00%, 06/20/24, Strike Price 75, Aug. 2019	Barclays	USD	21,600,000	21,600,000	8,381	(42,811)
Purchase	Credit default swap CDX.NA.HY.32, 5.00%, 06/20/24, Strike Price 103.50, Aug. 2019	Citigroup	USD	7,200,000	7,200,000	12,600	(57,960)
Purchase	Interest rate swap Receiving floating 3-month USD LIBOR / Paying fixed rate 2.40%, Oct. 2019	Citigroup	USD	21,200,000	21,200,000	34,959	(109,201)
Purchase	Credit default swap CDX.NA.HY.32, 5.00%, 06/20/24, Strike Price 106, Sep. 2019	JPMorgan	USD	3,500,000	3,500,000	33,901	(2,149)
Sale	Credit default swap CDX.NA.IG.32, 1.00%, 06/20/24, Strike Price 85, Sep. 2019	Barclays	USD	(10,500,000)	10,500,000	(4,599)	389
Sale	Credit default swap CDX.NA.IG.32, 1.00%, 06/20/24, Strike Price 100, Aug. 2019	Barclays	USD	(21,600,000)	21,600,000	(2,678)	15,250

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Flexible Alpha Bond Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	Credit default swap CDX.NA.HY.32, 5.00%, 06/20/24, Strike Price 98, Aug. 2019	Citigroup	USD	(7,200,000)	7,200,000	(3,679)	16,121
Sale	Credit default swap CDX.NA.HY.32, 5.00%, 06/20/24, Strike Price 104, Sep. 2019	JPMorgan	USD	(3,500,000)	3,500,000	(13,808)	1,242
						83,714	(180,169)

Franklin Global Fundamental Strategies Fund

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Currency Option							
Purchase	AUD/JPY, Call Option, Strike Price 82.35, Feb. 2020	Citigroup	AUD	568,000	433,823	811	(1,557)
Purchase	AUD/JPY, Call Option, Strike Price 84, May 2020	Citigroup	AUD	2,523,000	1,965,609	3,932	(8,473)
Purchase	AUD/JPY, Call option, Strike Price 84.33, Nov. 2020	Citigroup	AUD	1,892,000	1,479,803	5,927	(6,707)
Purchase	AUD/JPY, Call Option, Strike Price 85.50, May 2020	Citigroup	AUD	10,092,000	8,002,838	10,910	(22,584)
Purchase	AUD/JPY, Call Option, Strike Price 86.63, May 2020	Citigroup	AUD	2,775,000	2,229,626	2,460	(4,368)
Purchase	AUD/JPY, Put Option, Strike Price 65.55, May 2020	Citigroup	AUD	5,046,000	3,067,755	20,604	(18,144)
Purchase	AUD/JPY, Put Option, Strike Price 66.78, Nov. 2020	Citigroup	AUD	946,000	585,920	8,776	(5,887)
Purchase	AUD/JPY, Put Option, Strike Price 69.18, Nov. 2020	Citigroup	AUD	568,000	364,443	7,107	(4,238)
Purchase	AUD/JPY, Put Option, Strike Price 69.54, May 2020	Citigroup	AUD	2,018,000	1,301,537	15,396	(8,084)
Purchase	AUD/JPY, Put Option, Strike Price 70.65, May 2020	Citigroup	AUD	1,261,000	826,281	11,525	(3,576)
Purchase	AUD/JPY, Put Option, Strike Price 72.78, Nov. 2020	Citigroup	AUD	2,365,000	1,596,408	46,742	(26,015)
Purchase	AUD/JPY, Put Option, Strike Price 73.25, May 2020	Citigroup	AUD	5,046,000	3,428,116	70,990	(36,904)
Purchase	AUD/JPY, Put Option, Strike Price 74, Nov. 2020	Citigroup	AUD	1,703,000	1,168,818	39,307	(18,519)
Purchase	AUD/JPY, Put Option, Strike Price 74.475, May 2020	Citigroup	AUD	9,335,000	6,448,007	160,567	(53,021)
Purchase	AUD/JPY, Put Option, Strike Price 75.05, May 2020	Citigroup	AUD	3,784,000	2,633,919	71,536	(12,129)
Purchase	USD/MXN, Call Option, Strike Price 20.0014, Nov. 2019	Citigroup	USD	2,467,000	2,569,450	44,186	(11,198)
Purchase	USD/MXN, Call Option, Strike Price 20.50, Dec. 2019	Citigroup	USD	7,632,000	8,147,095	115,686	(102,589)
Purchase	USD/MXN, Call Option, Strike Price 20.50, May 2020	Citigroup	USD	13,818,000	14,750,598	506,499	(78,624)
Purchase	USD/MXN, Call Option, Strike Price 20.8674, May 2020	Citigroup	USD	9,278,000	10,081,688	289,891	(30,803)
Purchase	USD/MXN, Call Option, Strike Price 20.92, May 2020	Citigroup	USD	8,225,000	8,960,003	247,992	(15,496)
Purchase	USD/MXN, Put Option, Strike Price 18.2472, Oct. 2019	Citigroup	USD	3,816,000	3,625,894	9,517	(6,033)
Purchase	USD/MXN, Put Option, Strike Price 18.2796, Nov. 2019	Citigroup	USD	2,467,000	2,348,261	8,548	(4,626)
Purchase	USD/MXN, Put Option, Strike Price 18.3052, May 2020	Citigroup	USD	2,319,000	2,210,476	19,122	1,336

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Global Fundamental Strategies Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Purchase	AUD/USD, Call Option, Strike Price 0.7665, May 2020	HSBC	AUD	3,974,000	3,046,071	10,190	(9,616)
Purchase	AUD/USD, Call Option, Strike Price 0.7692, Apr. 2020	HSBC	AUD	3,154,000	2,426,057	7,244	(6,717)
Purchase	AUD/USD, Call Option, Strike Price 0.773, May 2020	HSBC	AUD	2,523,000	1,950,279	5,373	(5,762)
Purchase	AUD/USD, Put Option, Strike Price 0.6529, May 2020	HSBC	AUD	5,046,000	3,294,533	20,707	(23,126)
Purchase	AUD/USD, Put Option, Strike Price 0.653, May 2020	HSBC	AUD	10,596,000	6,919,188	27,706	(58,955)
Purchase	AUD/USD, Put Option, Strike Price 0.657, Apr. 2020	HSBC	AUD	8,410,000	5,525,370	37,097	(31,219)
Purchase	AUD/USD, Put Option, Strike Price 0.6645, May 2020	HSBC	AUD	4,205,000	2,794,223	22,752	(22,162)
Purchase	AUD/USD, Put Option, Strike Price 0.6755, May 2020	HSBC	AUD	5,256,000	3,550,428	37,057	(27,684)
Purchase	AUD/USD, Put Option, Strike Price 0.6766, May 2020	HSBC	AUD	2,523,000	1,707,062	18,424	(15,732)
Purchase	AUD/USD, Put Option, Strike Price 0.6795, Apr. 2020	HSBC	AUD	4,204,000	2,856,618	32,257	(21,430)
Purchase	USD/MXN, Call Option, Strike Price 20.11, Nov. 2019	JPMorgan	USD	9,278,000	9,715,766	160,918	(98,079)
Purchase	USD/MXN, Call Option, Strike Price 20.135, Dec. 2019	JPMorgan	USD	1,744,000	1,828,558	38,535	(10,494)
Purchase	USD/MXN, Call Option, Strike Price 20.252, Oct. 2019	JPMorgan	USD	6,976,000	7,356,732	80,552	(34,953)
Purchase	USD/MXN, Call Option, Strike Price 20.9283, May 2020	JPMorgan	USD	5,302,000	5,778,089	159,887	(26,432)
Purchase	USD/MXN, Call Option, Strike Price 21.922, Oct. 2019	JPMorgan	USD	3,488,000	3,981,688	10,576	(21,214)
Purchase	USD/MXN, Call Option, Strike Price 22.35, Nov. 2019	JPMorgan	USD	4,639,000	5,398,989	16,339	(26,002)
Purchase	USD/MXN, Put Option, Strike Price 18.8545, Dec. 2019	JPMorgan	USD	3,488,000	3,424,539	34,329	13,833
Purchase	USD/MXN, Put Option, Strike Price 20.3405, Dec. 2019	JPMorgan	USD	3,488,000	3,694,440	171,864	63,841
Purchase	AUD/USD, Put Option, Strike Price 0.6743, Nov. 2019	Morgan Stanley	AUD	1,000	674	3	(6)
Sale	AUD/JPY, Call Option, Strike Price 77.28, Feb. 2020	Citigroup	AUD	(1,892,000)	1,356,091	(14,378)	16,655
Sale	AUD/JPY, Call Option, Strike Price 77.35, May 2020	Citigroup	AUD	(10,091,000)	7,239,277	(94,145)	105,982
Sale	AUD/JPY, Call option, Strike Price 78.18, Feb. 2020	Citigroup	AUD	(1,135,000)	822,986	(6,506)	8,339
Sale	AUD/JPY, Call Option, Strike Price 78.60, May 2020	Citigroup	AUD	(4,037,000)	2,942,944	(27,096)	38,939
Sale	AUD/JPY, Call Option, Strike Price 79.10, May 2020	Citigroup	AUD	(2,523,000)	1,850,949	(14,799)	24,727
Sale	AUD/JPY, Call Option, Strike Price 79.45, Feb. 2020	Citigroup	AUD	(1,703,000)	1,254,900	(6,428)	9,370
Sale	AUD/JPY, Call Option, Strike Price 79.77, Nov. 2019	Citigroup	AUD	(6,055,000)	4,479,757	(9,856)	36,456
Sale	AUD/JPY, Call Option, Strike Price 80.15, Nov. 2019	Citigroup	AUD	(2,523,000)	1,875,519	(3,436)	13,806
Sale	AUD/JPY, Call Option, Strike Price 80.32, Feb. 2020	Citigroup	AUD	(1,892,000)	1,409,436	(5,327)	8,459
Sale	AUD/JPY, Call Option, Strike Price 80.6, Nov. 2019	Citigroup	AUD	(5,046,000)	3,772,098	(5,685)	21,274
Sale	USD/MXN, Call Option, Strike Price 19.55, May 2020	Citigroup	USD	(4,606,000)	4,689,011	(267,014)	24,085

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Global Fundamental Strategies Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	USD/MXN, Call Option, Strike Price 19.82, May 2020	Citigroup	USD	(3,290,000)	3,395,550	(168,020)	2,155
Sale	USD/MXN, Call Option, Strike Price 21.9, Dec. 2019	Citigroup	USD	(7,632,000)	8,703,482	(44,258)	52,516
Sale	USD/MXN, Call Option, Strike Price 22.55, May 2020	Citigroup	USD	(4,606,000)	5,408,552	(67,833)	14,062
Sale	USD/MXN, Call Option, Strike Price 22.8512, May 2020	Citigroup	USD	(4,639,000)	5,520,062	(61,750)	8,230
Sale	USD/MXN, Call Option, Strike Price 23.85, May 2020	Citigroup	USD	(3,290,000)	4,085,967	(29,893)	1,856
Sale	USD/MXN, Put Option, Strike Price 18.6616, Oct. 2019	Citigroup	USD	(3,816,000)	3,708,240	(20,687)	6,846
Sale	USD/MXN, Put Option, Strike Price 18.7438, Nov. 2019	Citigroup	USD	(4,935,000)	4,816,764	(36,396)	11,523
Sale	USD/MXN, Put Option, Strike Price 19.0625, Oct. 2019	Citigroup	USD	(2,863,000)	2,841,919	(31,453)	(6,931)
Sale	USD/MXN, Put Option, Strike Price 19.2441, May 2020	Citigroup	USD	(6,958,000)	6,972,565	(139,390)	(5,726)
Sale	USD/MXN, Put Option, Strike Price 19.55, May 2020	Citigroup	USD	(4,606,000)	4,689,011	(119,687)	(7,692)
Sale	USD/MXN, Put Option, Strike Price 19.69, May 2020	Citigroup	USD	(1,645,000)	1,686,639	(47,789)	(627)
Sale	AUD/USD, Call Option, Strike Price 0.7065, May 2020	HSBC	AUD	(3,974,000)	2,807,631	(59,261)	33,398
Sale	AUD/USD, Call Option, Strike Price 0.71, Apr. 2020	HSBC	AUD	(3,154,000)	2,239,340	(42,727)	25,677
Sale	AUD/USD, Call Option, Strike Price 0.7133, Nov. 2020	HSBC	AUD	(2,523,000)	1,799,656	(45,080)	25,044
Sale	AUD/USD, Call Option, Strike Price 0.775, May 2021	HSBC	AUD	(4,205,000)	3,258,875	(31,447)	22,021
Sale	AUD/USD, Call Option, Strike Price 0.7961, Nov. 2020	HSBC	AUD	(5,046,000)	4,017,121	(14,593)	12,537
Sale	AUD/USD, Call Option, Strike Price 0.80, May 2021	HSBC	AUD	(7,946,000)	6,356,800	(37,108)	25,879
Sale	AUD/USD, Call Option, Strike Price 0.8065, Apr. 2021	HSBC	AUD	(6,308,000)	5,087,402	(25,779)	16,460
Sale	USD/MXN, Call Option, Strike Price 19.182, Oct. 2019	JPMorgan	USD	(3,488,000)	3,484,022	(112,300)	16,820
Sale	USD/MXN, Call Option, Strike Price 21, Nov. 2019	JPMorgan	USD	(9,278,000)	10,145,752	(79,930)	88,196
Sale	USD/MXN, Call Option, Strike Price 22.482, Oct. 2019	JPMorgan	USD	(3,488,000)	4,083,401	(7,332)	3,899
Sale	USD/MXN, Call Option, Strike Price 23.7613, May 2020	JPMorgan	USD	(2,651,000)	3,280,126	(24,986)	4,904
Sale	USD/MXN, Put Option, Strike Price 19.182, Oct. 2019	JPMorgan	USD	(3,488,000)	3,484,022	(47,259)	8,469
Sale	USD/MXN, Put Option, Strike Price 19.355, Nov. 2019	JPMorgan	USD	(4,639,000)	4,675,501	(84,481)	4,489
Sale	USD/MXN, Put Option, Strike Price 19.364, Dec. 2019	JPMorgan	USD	(1,744,000)	1,758,539	(33,848)	1,897
Sale	USD/MXN, Put Option, Strike Price 19.4353, Nov. 2019	JPMorgan	USD	(2,651,000)	2,682,944	(53,972)	(1,654)
Sale	USD/MXN, Put Option, Strike Price 20.01, Dec. 2019	JPMorgan	USD	(6,976,000)	7,268,824	(261,656)	(108,058)
Sale	AUD/USD, Call Option, Strike Price 0.718, Nov. 2019	Morgan Stanley	AUD	(1,000)	718	(5)	2
						426,251	(275,864)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Global Multi-Asset Income Fund

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment EUR	Market value EUR	Unrealised profit/(loss) EUR
Index Option Purchase	Euro STOXX 50 Index, Put Option, Strike Price 3050, Dec. 2019	Citigroup	EUR	148	5,141,061	55,352	(23,566)
Purchase	S&P 500 Index, Put Option, Strike Price 2000, Dec. 2020	Citigroup	USD	20	5,175,282	52,426	(120,869)
Purchase	S&P 500 Index, Put Option, Strike Price 2075, Dec. 2020	Citigroup	USD	21	5,434,047	66,407	(96,501)
Purchase	DAX Index, Put Option, Strike Price 9000, Dec. 2020	JPMorgan	EUR	94	5,827,436	74,589	(21,292)
Purchase	Euro STOXX 50 Index, Put Option, Strike Price 2550, Dec. 2020	JPMorgan	EUR	134	4,654,745	70,752	(25,661)
Purchase	Euro STOXX 50 Index, Put Option, Strike Price 3050, Dec. 2019	JPMorgan	EUR	147	5,106,325	54,978	(29,115)
Purchase	Euro STOXX 50 Index, Put Option, Strike Price 3100, Dec. 2019	JPMorgan	EUR	291	10,108,438	127,458	(19,805)
Purchase	Russell 2000 Index, Put Option, Strike Price 1150, Dec. 2020	JPMorgan	USD	29	3,996,181	67,114	(14,253)
Purchase	S&P 500 Index, Put Option, Strike Price 2150, Dec. 2020	JPMorgan	USD	39	10,091,801	147,856	(28,842)
Purchase	S&P 500 Index, Put Option, Strike Price 2600, Dec. 2019	JPMorgan	USD	113	29,240,346	377,710	(123,285)
Purchase	S&P 500 Index, Put Option, Strike Price 2650, Dec. 2019	JPMorgan	USD	109	28,205,289	440,085	(11,130)
Purchase	S&P 500 Index, Put Option, Strike Price 2025, Dec. 2020	Merrill Lynch	USD	20	5,175,282	55,768	(90,236)
Purchase	S&P 500 Index, Put Option, Strike Price 2050, Dec. 2020	Merrill Lynch	USD	42	10,868,093	124,871	(202,011)
Purchase	S&P 500 Index, Put Option, Strike Price 2075, Dec. 2020	Merrill Lynch	USD	20	5,175,282	63,245	(82,018)
Sale	MSCI Emerging Markets Index, Call Option, Strike Price 1076.4060, Jul. 2019	Bank of America	USD	(3,998)	3,709,649	(15,121)	(1,034)
Sale	NASDAQ 100 Stock Index, Call Option, Strike Price 7893.25, Jul. 2019	Bank of America	USD	(2,050)	13,832,699	(30,016)	45,202
Sale	NASDAQ 100 Stock Index, Call Option, Strike Price 7618.7227, Jun. 2019	Barclays	USD	(2,087)	14,082,362	(96,107)	(6,501)
Sale	MSCI Emerging Markets Index, Call Option, Strike Price 1036.729, Jun. 2019	JPMorgan	USD	(4,041)	3,749,547	(64,128)	(48,301)
						1,573,239	(899,218)

Franklin Income Fund

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Equity Option Sale	FedEx Corp., Call Option, Strike Price 180, Jul. 2019	Credit Suisse	USD	(500)	8,209,500	(14,500)	39,175
Sale	MetLife Inc., Call Option, Strike Price 52.50, Aug. 2019	Credit Suisse	USD	(1,000)	4,967,000	(46,000)	5,960
Sale	Pfizer Inc., Call Option, Strike Price 45, Sep. 2019	Credit Suisse	USD	(2,000)	8,664,000	(144,000)	(20,080)
Sale	Wells Fargo & Co., Call Option, Strike Price 50, Jul. 2019	Jefferies	USD	(3,000)	14,196,000	(78,000)	2,882
Sale	Applied Materials Inc., Call Option, Strike Price 52.50, Sep. 2019	Morgan Stanley	USD	(850)	3,817,350	(56,100)	(13)
Sale	Chevron Corp., Call Option, Strike Price 130, Jul. 2019	Morgan Stanley	USD	(1,000)	12,444,000	(24,000)	17,960
Sale	Roche Holding AG, Call Option, Strike Price 285, Aug. 2019	Morgan Stanley	CHF	(276)	7,763,162	(51,726)	18,035
Sale	CVS Health Corp., Put Option, Strike Price 52.50, Jul. 2019	Susquehanna Financial	USD	(1,000)	5,449,000	(59,000)	51,935

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin Income Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	Apple Inc., Call Option, Strike Price 205, Jul. 2019	Wells Fargo	USD	(340)	6,729,280	(75,480)	14,265
Sale	Target Corp., Call Option, Strike Price 95, Sep. 2019	Wells Fargo	USD	(700)	6,062,700	(80,500)	57,490
						(629,306)	187,609
Index Option Purchase	S&P 500 Index, Put Option, Strike Price 2700, Jun. 2020	Morgan Stanley	USD	500	147,088,000	4,900,000	(2,976,020)
Sale	S&P 500 Index, Put Option, Strike Price 2400, Jun. 2020	Morgan Stanley	USD	(500)	147,088,000	(2,380,000)	1,668,981
						2,520,000	(1,307,039)
						1,890,694	(1,119,430)

Franklin K2 Alternative Strategies Fund

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Currency Option Purchase	USD/HKD, Call Option, Strike Price 7.95, Sep. 2019	Citigroup	USD	6,000,000	6,105,874	783	(7,287)
Purchase	GBP/USD, Call Option, Strike Price 1.34, Jul. 2019	Credit Agricole	GBP	3,000,000	4,020,000	27	(69,785)
Purchase	USD/HKD, Call Option, Strike Price 7.925, Jul. 2019	Credit Agricole	USD	4,000,000	4,057,782	12	(436)
Purchase	USD/HKD, Call Option, Strike Price 7.95, Sep. 2019	Credit Agricole	USD	4,000,000	4,070,582	584	84
Purchase	USD/TRY, Put Option, Strike Price 6, Oct. 2019	Credit Suisse	USD	2,000,000	2,072,467	57,978	42,028
Purchase	EUR/CHF, Call Option, Strike Price 1.155, Jul. 2019	JPMorgan	EUR	3,000,000	3,548,569	5	(9,817)
Purchase	EUR/USD, Call Option, Strike Price 1.146, Jul. 2019	JPMorgan	EUR	3,000,000	3,438,000	9,724	683
Purchase	EUR/USD, Call Option, Strike Price 1.167, Jul. 2019	JPMorgan	EUR	1,200,000	1,400,400	307	(6,206)
Purchase	EUR/USD, Call Option, Strike Price 1.168, Sep. 2019	JPMorgan	EUR	6,000,000	7,008,000	24,701	304
Purchase	USD/HKD, Call Option, Strike Price 7.975, Jan. 2020	JPMorgan	USD	4,000,000	4,083,383	3,717	2,617
Purchase	USD/ILS, Call Option, Strike Price 3.68, Sep. 2019	JPMorgan	USD	1,750,000	1,804,528	2,962	(6,803)
Purchase	USD/ILS, Call Option, Strike Price 3.7, Sep. 2019	JPMorgan	USD	1,250,000	1,295,954	1,410	(4,940)
Purchase	USD/ILS, Call Option, Strike Price 3.71, Aug. 2019	JPMorgan	USD	2,000,000	2,079,130	1,380	(9,686)
Purchase	USD/JPY, Put Option, Strike Price 107, Sep. 2019	JPMorgan	USD	2,500,000	2,480,987	30,941	7,053
Purchase	USD/TWD, Call Option, Strike Price 31.75, Jul. 2019	JPMorgan	USD	7,500,000	7,686,906	4,326	(44,049)
Purchase	USD/TWD, Put Option, Strike Price 29.5, Jul. 2019	JPMorgan	USD	1,000,000	952,289	-	(590)
Purchase	USD/HKD, Call Option, Strike Price 7.95, Sep. 2019	Morgan Stanley	USD	3,000,000	3,052,937	422	(2,854)
Purchase	USD/TRY, Call Option, Strike Price 10, Oct. 2019	Morgan Stanley	USD	300,000	518,117	450	(3,615)
Purchase	USD/HKD, Call Option, Strike Price 7.95, Sep. 2019	UBS	USD	6,000,000	6,105,874	844	(4,016)
Sale	USD/HKD, Call Option, Strike Price 7.85, Sep. 2019	Citigroup	USD	(3,000,000)	3,014,535	(1,554)	4,941

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	GBP/USD, Call Option, Strike Price 1.43, Oct. 2019	Credit Agricole	GBP	(3,750,000)	5,362,500	(725)	40,046
Sale	GBP/USD, Put Option, Strike Price 1.2, Jul. 2019	Credit Agricole	GBP	(1,500,000)	1,800,000	(9)	27,629
Sale	USD/HKD, Call Option, Strike Price 7.85, Jul. 2019	Credit Agricole	USD	(2,000,000)	2,009,690	(94)	292
Sale	USD/HKD, Call Option, Strike Price 7.85, Sep. 2019	Credit Agricole	USD	(2,000,000)	2,009,690	(1,083)	17
Sale	USD/TRY, Call Option, Strike Price 10, Oct. 2019	Credit Suisse	USD	(300,000)	518,117	(450)	14,906
Sale	USD/TWD, Put Option, Strike Price 29.5, Jul. 2019	Deutsche Bank	USD	(1,000,000)	952,289	-	9,470
Sale	EUR/CHF, Call Option, Strike Price 1.2, Jul. 2019	JPMorgan	EUR	(6,000,000)	7,373,649	-	2,197
Sale	EUR/USD, Call Option, Strike Price 1.16, Jul. 2019	JPMorgan	EUR	(2,000,000)	2,320,000	(3,833)	2,493
Sale	EUR/USD, Put Option, Strike Price 1.098, Sep. 2019	JPMorgan	EUR	(6,000,000)	6,588,000	(5,298)	17,886
Sale	EUR/USD, Put Option, Strike Price 1.1, Jul. 2019	JPMorgan	EUR	(2,000,000)	2,200,000	(333)	6,284
Sale	EUR/USD, Put Option, Strike Price 1.1025, Jul. 2019	JPMorgan	EUR	(1,200,000)	1,323,000	(34)	6,512
Sale	EUR/USD, Put Option, Strike Price 1.106, Jul. 2019	JPMorgan	EUR	(3,000,000)	3,318,000	(342)	8,426
Sale	USD/HKD, Call Option, Strike Price 7.85, Jan. 2020	JPMorgan	USD	(2,000,000)	2,009,690	(3,322)	(2,456)
Sale	USD/ILS, Put Option, Strike Price 3.45, Aug. 2019	JPMorgan	USD	(2,000,000)	1,933,422	(2,004)	8,212
Sale	USD/ILS, Put Option, Strike Price 3.45, Sep. 2019	JPMorgan	USD	(3,000,000)	2,900,134	(5,255)	10,044
Sale	USD/JPY, Call Option, Strike Price 112.5, Aug. 2019	JPMorgan	USD	(700,000)	730,384	(103)	4,150
Sale	USD/JPY, Put Option, Strike Price 107, Sep. 2019	JPMorgan	USD	(2,500,000)	2,480,986	(30,940)	(2,427)
Sale	USD/TRY, Call Option, Strike Price 7.5, Oct. 2019	JPMorgan	USD	(750,000)	971,469	(5,894)	13,197
Sale	USD/TWD, Call Option, Strike Price 33.05, Sep. 2019	JPMorgan	USD	(7,500,000)	8,001,646	(3,334)	12,041
Sale	USD/HKD, Call Option, Strike Price 7.85, Sep. 2019	Morgan Stanley	USD	(1,500,000)	1,507,268	(801)	2,064
Sale	USD/TRY, Put Option, Strike Price 6, Oct. 2019	Morgan Stanley	USD	(2,000,000)	2,072,467	(57,978)	27,536
Sale	USD/HKD, Call Option, Strike Price 7.85, Sep. 2019	UBS	USD	(3,000,000)	3,014,535	(1,602)	2,778
						15,585	98,923
Equity Option Purchase	Array BioPharma Inc., Put Option, Strike Price 43, Sep. 2019	Deutsche Bank	USD	1,483,500	68,730,555	10,287	(19,280)
Purchase	Anadarko Petroleum Corp., Put Option, Strike Price 70, Aug. 2019	JPMorgan	USD	222	1,566,432	32,634	(14,639)
Purchase	Dell Technologies Inc., Call Option, Strike Price 60, Jul. 2019	JPMorgan	USD	642	3,261,360	12,198	(216,164)
Purchase	Dell Technologies Inc., Call Option, Strike Price 62.5, Jul. 2019	JPMorgan	USD	81	411,480	1,215	(15,374)
Purchase	Edison International, Put Option, Strike Price 55, Oct. 2019	JPMorgan	USD	227	1,530,207	22,133	(60,956)
Purchase	Genworth Financial Inc., A, Put Option, Strike Price 3.5, Jul. /201	JPMorgan	USD	351	130,221	6,792	(10,089)
Purchase	PG&E Corp., Call Option, Strike Price 25, Jul. 2019	JPMorgan	USD	69	158,148	6,693	(7,730)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Purchase	T-Mobile U.S. Inc., Call Option, Strike Price 80, Jul. 2019	JPMorgan	USD	698	5,174,972	16,054	(86,087)
Purchase	Vodafone Group PLC, ADR, Call Option, Strike Price 18, Jan. 2020	JPMorgan	USD	710	1,159,430	33,370	(648)
Purchase	Alder Biopharmaceuticals Inc., Call Option, Strike Price 15, Jul. 2019	Morgan Stanley	USD	107	125,939	1,605	(7,248)
Purchase	Benefitfocus Inc., Call Option, Strike Price 40, Nov. 2019	Morgan Stanley	USD	1	2,715	65	3
Purchase	Carbonite Inc., Call Option, Strike Price 30, Sep. 2019	Morgan Stanley	USD	3	7,812	293	93
Purchase	Cemex SAB de CV, CPO, ADR, Call Option, Strike Price 7, Jul. 2019	Morgan Stanley	USD	62	26,288	124	(121)
Purchase	Dell Technologies Inc., Call Option, Strike Price 65, Jul. 2019	Morgan Stanley	USD	149	756,920	1,490	(31,082)
Purchase	Evolent Health Inc., A, Call Option, Strike Price 12.5, Dec. 2019	Morgan Stanley	USD	18	14,310	810	71
Purchase	Infinera Corp., Call Option, Strike Price 4, Oct. 2019	Morgan Stanley	USD	247	71,877	3,952	(2,482)
Purchase	Nutanix Inc., A, Call Option, Strike Price 37.5, Oct. 2019	Morgan Stanley	USD	62	160,828	2,946	(1,801)
Purchase	Synaptics Inc., Call Option, Strike Price 40, Dec. 2019	Morgan Stanley	USD	6	17,484	540	17
Purchase	Team Inc., Call Option, Strike Price 20, Dec. 2019	Morgan Stanley	USD	54	82,728	3,240	958
Purchase	Vishay Intertechnology Inc., Call Option, Strike Price 20, Dec. 2019	Morgan Stanley	USD	270	446,040	14,850	426
Purchase	Vodafone Group PLC, ADR, Call Option, Strike Price 1.35, Sep. 2019	Morgan Stanley	GBP	633	10,396	24,116	(1,668)
Purchase	Vodafone Group PLC, ADR, Call Option, Strike Price 1.5, Sep. 2019	Morgan Stanley	GBP	1,931	31,713	12,261	(21,115)
Sale	Anadarko Petroleum Corp., Put Option, Strike Price 65, Aug. 2019	JPMorgan	USD	(243)	1,714,608	(23,571)	(9,232)
Sale	Edison International, Put Option, Strike Price 45, Oct. 2019	JPMorgan	USD	(227)	1,530,207	(7,945)	22,364
Sale	PG&E Corp., Call Option, Strike Price 30, Jul. 2019	JPMorgan	USD	(81)	185,652	(2,430)	3,396
Sale	T-Mobile U.S. Inc., Call Option, Strike Price 87.5, Jul. 2019	JPMorgan	USD	(698)	5,174,972	(2,792)	9,577
Sale	Accenture PLC, A, Call Option, Strike Price 190, Aug. 2019	Morgan Stanley	USD	(2)	36,954	(416)	128
Sale	Accenture PLC, A, Call Option, Strike Price 195, Jul. 2019	Morgan Stanley	USD	(2)	36,954	(16)	181
Sale	Accenture PLC, A, Call Option, Strike Price 200, Sep. 2019	Morgan Stanley	USD	(2)	36,954	(195)	126
Sale	Aflac Inc., Call Option, Strike Price 52.5, Aug. 2019	Morgan Stanley	USD	(6)	32,886	(1,812)	(1,548)
Sale	Aflac Inc., Call Option, Strike Price 55, Aug. 2019	Morgan Stanley	USD	(13)	71,253	(1,651)	(910)
Sale	Allergan PLC, Call Option, Strike Price 150, Aug. 2019	Morgan Stanley	USD	(4)	66,972	(7,280)	(5,900)
Sale	Altria Group Inc., Call Option, Strike Price 55, Sep. 2019	Morgan Stanley	USD	(12)	56,820	(312)	108
Sale	AmerisourceBergen Corp., Call Option, Strike Price 82.5, Jul. 2019	Morgan Stanley	USD	(4)	34,104	(1,500)	(708)
Sale	AmerisourceBergen Corp., Call Option, Strike Price 85, Aug. 2019	Morgan Stanley	USD	(4)	34,104	(1,592)	(743)
Sale	AmerisourceBergen Corp., Call Option, Strike Price 92.5, Aug. 2019	Morgan Stanley	USD	(4)	34,104	(400)	(17)
Sale	Amgen Inc., Call Option, Strike Price 185, Jul. 2019	Morgan Stanley	USD	(2)	36,856	(770)	(438)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	Amgen Inc., Call Option, Strike Price 195, Aug. 2019	Morgan Stanley	USD	(2)	36,856	(458)	132
Sale	Amgen Inc., Call Option, Strike Price 200, Sep. 2019	Morgan Stanley	USD	(2)	36,856	(372)	115
Sale	Automatic Data Processing Inc., Call Option, Strike Price 170, Aug. 2019	Morgan Stanley	USD	(3)	49,599	(993)	(42)
Sale	Automatic Data Processing Inc., Call Option, Strike Price 180, Aug. 2019	Morgan Stanley	USD	(3)	49,599	(263)	106
Sale	Best Buy Co. Inc., Call Option, Strike Price 52.5, Sep. 2019	Morgan Stanley	USD	(16)	72,560	(352)	478
Sale	Best Buy Co. Inc., Call Option, Strike Price 72.5, Jul. 2019	Morgan Stanley	USD	(1)	6,973	(67)	(38)
Sale	Best Buy Co. Inc., Call Option, Strike Price 75, Jul. 2019	Morgan Stanley	USD	(1)	6,973	(24)	124
Sale	Best Buy Co. Inc., Call Option, Strike Price 75, Aug. 2019	Morgan Stanley	USD	(1)	6,973	(86)	(41)
Sale	Booz Allen Hamilton Holding Corp., Call Option, Strike Price 70, Sep. 2019	Morgan Stanley	USD	(5)	33,105	(625)	(35)
Sale	Broadcom Inc., Call Option, Strike Price 300, Jul. 2019	Morgan Stanley	USD	(1)	28,786	(365)	(120)
Sale	Broadcom Inc., Call Option, Strike Price 300, Sep. 2019	Morgan Stanley	USD	(1)	28,786	(1,227)	(245)
Sale	Broadcom Inc., Call Option, Strike Price 310, Sep. 2019	Morgan Stanley	USD	(1)	28,786	(855)	(182)
Sale	Broadridge Financial Solutions Inc., Call Option, Strike Price 135, Sep. 2019	Morgan Stanley	USD	(3)	38,304	(758)	71
Sale	CBS Corp., B, Call Option, Strike Price 52.5, Jul. 2019	Morgan Stanley	USD	(1)	4,990	(17)	15
Sale	CBS Corp., B, Call Option, Strike Price 55, Sep. 2019	Morgan Stanley	USD	(2)	9,980	(106)	31
Sale	CDW Corp., Call Option, Strike Price 115, Sep. 2019	Morgan Stanley	USD	(5)	55,500	(1,750)	(616)
Sale	CDW Corp., Call Option, Strike Price 120, Sep. 2019	Morgan Stanley	USD	(5)	55,500	(963)	(424)
Sale	Cisco Systems Inc., Call Option, Strike Price 60, Aug. 2019	Morgan Stanley	USD	(7)	38,311	(287)	243
Sale	Cisco Systems Inc., Call Option, Strike Price 62.5, Sep. 2019	Morgan Stanley	USD	(7)	38,311	(182)	201
Sale	Citigroup Inc., Call Option, Strike Price 70, Sep. 2019	Morgan Stanley	USD	(5)	35,015	(1,550)	(670)
Sale	Citigroup Inc., Call Option, Strike Price 72.5, Jul. 2019	Morgan Stanley	USD	(5)	35,015	(350)	(261)
Sale	Citigroup Inc., Call Option, Strike Price 72.5, Sep. 2019	Morgan Stanley	USD	(5)	35,015	(945)	(410)
Sale	Comcast Corp., A, Call Option, Strike Price 45, Jul. 2019	Morgan Stanley	USD	(14)	59,192	(70)	108
Sale	Comcast Corp., A, Call Option, Strike Price 47.5, Sep. 2019	Morgan Stanley	USD	(14)	59,192	(252)	122
Sale	ConocoPhillips, Call Option, Strike Price 65, Aug. 2019	Morgan Stanley	USD	(9)	54,900	(702)	(81)
Sale	ConocoPhillips, Call Option, Strike Price 67.5, Aug. 2019	Morgan Stanley	USD	(9)	54,900	(315)	(57)
Sale	Cummins Inc., Call Option, Strike Price 175, Sep. 2019	Morgan Stanley	USD	(2)	34,268	(980)	(446)
Sale	Cummins Inc., Call Option, Strike Price 185, Sep. 2019	Morgan Stanley	USD	(2)	34,268	(390)	(3)
Sale	Darden Restaurants Inc., Call Option, Strike Price 130, Oct. 2019	Morgan Stanley	USD	(5)	60,865	(1,200)	309
Sale	Eaton Corp. PLC, Call Option, Strike Price 87.5, Aug. 2019	Morgan Stanley	USD	(4)	33,312	(316)	(53)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	Eaton Corp. PLC, Call Option, Strike Price 87.5, Oct. 2019	Morgan Stanley	USD	(4)	33,312	(724)	(125)
Sale	Eaton Corp. PLC, Call Option, Strike Price 90, Oct. 2019	Morgan Stanley	USD	(4)	33,312	(420)	(63)
Sale	Fidelity National Financial Inc., Call Option, Strike Price 42, Jul. 2019	Morgan Stanley	USD	(9)	36,270	(180)	61
Sale	Fidelity National Financial Inc., Call Option, Strike Price 43, Sep. 2019	Morgan Stanley	USD	(6)	24,180	(285)	21
Sale	Fidelity National Financial Inc., Call Option, Strike Price 44, Sep. 2019	Morgan Stanley	USD	(9)	36,270	(315)	(29)
Sale	FirstEnergy Corp., Call Option, Strike Price 43, Jul. 2019	Morgan Stanley	USD	(9)	38,529	(567)	(255)
Sale	FirstEnergy Corp., Call Option, Strike Price 44, Jul. 2019	Morgan Stanley	USD	(9)	38,529	(234)	297
Sale	FirstEnergy Corp., Call Option, Strike Price 45, Jul. 2019	Morgan Stanley	USD	(9)	38,529	(90)	60
Sale	Gilead Sciences Inc., Call Option, Strike Price 72.5, Jul. 2019	Morgan Stanley	USD	(8)	54,048	(160)	152
Sale	Gilead Sciences Inc., Call Option, Strike Price 75, Aug. 2019	Morgan Stanley	USD	(8)	54,048	(360)	297
Sale	H&R Block Inc., Call Option, Strike Price 30, Oct. 2019	Morgan Stanley	USD	(43)	125,990	(5,805)	(2,623)
Sale	Hewlett Packard Enterprise Co., Call Option, Strike Price 18, Aug. 2019	Morgan Stanley	USD	(23)	34,385	(46)	821
Sale	Honeywell International Inc., Call Option, Strike Price 180, Jul. 2019	Morgan Stanley	USD	(1)	17,459	(120)	12
Sale	HP Inc., Call Option, Strike Price 22, Aug. 2019	Morgan Stanley	USD	(19)	39,501	(475)	(25)
Sale	Illinois Tool Works Inc., Call Option, Strike Price 160, Sep. 2019	Morgan Stanley	USD	(2)	30,162	(520)	53
Sale	Illinois Tool Works Inc., Call Option, Strike Price 165, Sep. 2019	Morgan Stanley	USD	(2)	30,162	(280)	35
Sale	Illinois Tool Works Inc., Call Option, Strike Price 170, Sep. 2019	Morgan Stanley	USD	(2)	30,162	(150)	88
Sale	Intuit Inc., Call Option, Strike Price 280, Jul. 2019	Morgan Stanley	USD	(1)	26,133	(28)	469
Sale	Intuit Inc., Call Option, Strike Price 280, Aug. 2019	Morgan Stanley	USD	(1)	26,133	(230)	(23)
Sale	Intuit Inc., Call Option, Strike Price 290, Sep. 2019	Morgan Stanley	USD	(1)	26,133	(290)	(13)
Sale	Iron Mountain Inc., Call Option, Strike Price 35, Oct. 2019	Morgan Stanley	USD	(23)	71,990	(460)	85
Sale	Johnson & Johnson, Call Option, Strike Price 145, Jul. 2019	Morgan Stanley	USD	(2)	27,856	(110)	108
Sale	Johnson & Johnson, Call Option, Strike Price 150, Aug. 2019	Morgan Stanley	USD	(2)	27,856	(78)	152
Sale	Johnson & Johnson, Call Option, Strike Price 150, Sep. 2019	Morgan Stanley	USD	(2)	27,856	(154)	190
Sale	JPMorgan Chase & Co., Call Option, Strike Price 120, Jul. 2019	Morgan Stanley	USD	(3)	33,540	(24)	159
Sale	Las Vegas Sands Corp., Call Option, Strike Price 62.5, Jul. 2019	Morgan Stanley	USD	(6)	35,454	(360)	(90)
Sale	Las Vegas Sands Corp., Call Option, Strike Price 65, Aug. 2019	Morgan Stanley	USD	(6)	35,454	(420)	6
Sale	Leidos Holdings Inc., Call Option, Strike Price 85, Aug. 2019	Morgan Stanley	USD	(7)	55,895	(616)	(14)
Sale	LPL Financial Holdings Inc., Call Option, Strike Price 90, Jul. 2019	Morgan Stanley	USD	(7)	57,099	(126)	350
Sale	LyondellBasell Industries NV, A, Call Option, Strike Price 90, Jul. 2019	Morgan Stanley	USD	(4)	34,452	(280)	123

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	LyondellBasell Industries NV, A, Call Option, Strike Price 90, Sep. 2019	Morgan Stanley	USD	(9)	77,517	(2,340)	(1,294)
Sale	Mastercard Inc., A, Call Option, Strike Price 265, Jul. 2019	Morgan Stanley	USD	(1)	26,453	(485)	(111)
Sale	Mastercard Inc., A, Call Option, Strike Price 280, Jul. 2019	Morgan Stanley	USD	(1)	26,453	(33)	27
Sale	Mastercard Inc., A, Call Option, Strike Price 290, Sep. 2019	Morgan Stanley	USD	(1)	26,453	(224)	7
Sale	McKesson Corp., Call Option, Strike Price 140, Jul. 2019	Morgan Stanley	USD	(2)	26,878	(140)	(42)
Sale	McKesson Corp., Call Option, Strike Price 140, Aug. 2019	Morgan Stanley	USD	(2)	26,878	(590)	(244)
Sale	McKesson Corp., Call Option, Strike Price 145, Aug. 2019	Morgan Stanley	USD	(2)	26,878	(262)	(34)
Sale	Merck & Co. Inc., Call Option, Strike Price 85, Jul. 2019	Morgan Stanley	USD	(4)	33,540	(360)	(240)
Sale	Merck & Co. Inc., Call Option, Strike Price 87.5, Aug. 2019	Morgan Stanley	USD	(9)	75,465	(666)	720
Sale	MetLife Inc., Call Option, Strike Price 50, Jul. 2019	Morgan Stanley	USD	(8)	39,736	(640)	(56)
Sale	MetLife Inc., Call Option, Strike Price 52.5, Aug. 2019	Morgan Stanley	USD	(16)	79,472	(736)	(197)
Sale	Microsoft Corp., Call Option, Strike Price 135, Jul. 2019	Morgan Stanley	USD	(2)	26,792	(500)	(265)
Sale	Microsoft Corp., Call Option, Strike Price 145, Aug. 2019	Morgan Stanley	USD	(2)	26,792	(174)	39
Sale	Microsoft Corp., Call Option, Strike Price 150, Sep. 2019	Morgan Stanley	USD	(2)	26,792	(164)	25
Sale	Morgan Stanley, Call Option, Strike Price 47, Aug. 2019	Morgan Stanley	USD	(1)	4,381	(43)	(18)
Sale	Morgan Stanley, Call Option, Strike Price 48, Oct. 2019	Morgan Stanley	USD	(1)	4,381	(98)	(41)
Sale	Nutanix Inc., A, Call Option, Strike Price 130, Aug. 2019	Morgan Stanley	USD	(5)	50,500	(88)	1,039
Sale	Occidental Petroleum Corp., Call Option, Strike Price 60, Aug. 2019	Morgan Stanley	USD	(8)	40,224	(128)	432
Sale	Omnicom Group Inc., Call Option, Strike Price 87.5, Jul. 2019	Morgan Stanley	USD	(4)	32,780	(80)	352
Sale	Omnicom Group Inc., Call Option, Strike Price 87.5, Aug. 2019	Morgan Stanley	USD	(5)	40,975	(350)	(80)
Sale	Omnicom Group Inc., Call Option, Strike Price 90, Jul. 2019	Morgan Stanley	USD	(4)	32,780	(40)	191
Sale	Oracle Corp., Call Option, Strike Price 60, Aug. 2019	Morgan Stanley	USD	(10)	56,970	(370)	(53)
Sale	Oracle Corp., Call Option, Strike Price 62.5, Sep. 2019	Morgan Stanley	USD	(10)	56,970	(450)	(63)
Sale	Outfront Media Inc., Call Option, Strike Price 30, Sep. 2019	Morgan Stanley	USD	(6)	15,474	(135)	21
Sale	PACCAR Inc., Call Option, Strike Price 75, Aug. 2019	Morgan Stanley	USD	(8)	57,328	(968)	(24)
Sale	PACCAR Inc., Call Option, Strike Price 77.5, Aug. 2019	Morgan Stanley	USD	(8)	57,328	(460)	68
Sale	Paychex Inc., Call Option, Strike Price 90, Sep. 2019	Morgan Stanley	USD	(4)	32,916	(120)	308
Sale	Paychex Inc., Call Option, Strike Price 92.5, Sep. 2019	Morgan Stanley	USD	(4)	32,916	(60)	149
Sale	Pfizer Inc., Call Option, Strike Price 46, Sep. 2019	Morgan Stanley	USD	(16)	69,312	(672)	235
Sale	Pfizer Inc., Call Option, Strike Price 47, Sep. 2019	Morgan Stanley	USD	(8)	34,656	(184)	78

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	Plains GP Holdings LP, A, Call Option, Strike Price 27, Aug. 2019	Morgan Stanley	USD	(22)	54,934	(440)	462
Sale	PPL Corp., Call Option, Strike Price 33, Jul. 2019	Morgan Stanley	USD	(12)	37,212	(96)	82
Sale	PPL Corp., Call Option, Strike Price 34, Oct. 2019	Morgan Stanley	USD	(19)	58,919	(380)	95
Sale	Principal Financial Group Inc., Call Option, Strike Price 60, Jul. 2019	Morgan Stanley	USD	(8)	46,336	(320)	(96)
Sale	Principal Financial Group Inc., Call Option, Strike Price 65, Oct. 2019	Morgan Stanley	USD	(4)	23,168	(250)	(54)
Sale	Prudential Financial Inc., Call Option, Strike Price 110, Sep. 2019	Morgan Stanley	USD	(7)	70,700	(630)	(191)
Sale	PulteGroup Inc., Call Option, Strike Price 34, Jul. 2019	Morgan Stanley	USD	(12)	37,944	(120)	168
Sale	PulteGroup Inc., Call Option, Strike Price 35, Oct. 2019	Morgan Stanley	USD	(24)	75,888	(1,704)	600
Sale	QUALCOMM Inc., Call Option, Strike Price 77.5, Jul. 2019	Morgan Stanley	USD	(2)	15,214	(332)	(115)
Sale	QUALCOMM Inc., Call Option, Strike Price 80, Aug. 2019	Morgan Stanley	USD	(2)	15,214	(460)	(143)
Sale	QUALCOMM Inc., Call Option, Strike Price 80, Oct. 2019	Morgan Stanley	USD	(2)	15,214	(670)	(113)
Sale	Sinclair Broadcast Group Inc., A, Call Option, Strike Price 60, Sep. 2019	Morgan Stanley	USD	(11)	58,993	(2,200)	41
Sale	Southwest Airlines Co., Call Option, Strike Price 55, Sep. 2019	Morgan Stanley	USD	(11)	55,858	(1,100)	143
Sale	Southwest Airlines Co., Call Option, Strike Price 57.5, Sep. 2019	Morgan Stanley	USD	(11)	55,858	(561)	99
Sale	Starbucks Corp., Call Option, Strike Price 85, Jul. 2019	Morgan Stanley	USD	(4)	33,532	(360)	(292)
Sale	Starbucks Corp., Call Option, Strike Price 87.5, Jul. 2019	Morgan Stanley	USD	(4)	33,532	(88)	83
Sale	Starbucks Corp., Call Option, Strike Price 90, Aug. 2019	Morgan Stanley	USD	(4)	33,532	(268)	47
Sale	Texas Instruments Inc., Call Option, Strike Price 120, Jul. 2019	Morgan Stanley	USD	(1)	11,476	(101)	(44)
Sale	Texas Instruments Inc., Call Option, Strike Price 120, Oct. 2019	Morgan Stanley	USD	(1)	11,476	(430)	(88)
Sale	Texas Instruments Inc., Call Option, Strike Price 125, Oct. 2019	Morgan Stanley	USD	(1)	11,476	(259)	(61)
Sale	The Boeing Co., Call Option, Strike Price 380, Jul. 2019	Morgan Stanley	USD	(1)	36,401	(293)	294
Sale	The Boeing Co., Call Option, Strike Price 400, Jul. 2019	Morgan Stanley	USD	(1)	36,401	(45)	78
Sale	The Boeing Co., Call Option, Strike Price 405, Aug. 2019	Morgan Stanley	USD	(1)	36,401	(225)	137
Sale	The Southern Co., Call Option, Strike Price 55, Aug. 2019	Morgan Stanley	USD	(6)	33,168	(840)	(620)
Sale	Thermo Fisher Scientific Inc., Call Option, Strike Price 300, Jul. 2019	Morgan Stanley	USD	(2)	58,736	(590)	263
Sale	Thermo Fisher Scientific Inc., Call Option, Strike Price 310, Sep. 2019	Morgan Stanley	USD	(1)	29,368	(460)	207
Sale	United Parcel Service Inc., B, Call Option, Strike Price 110, Aug. 2019	Morgan Stanley	USD	(2)	20,654	(234)	(139)
Sale	United Parcel Service Inc., B, Call Option, Strike Price 115, Sep. 2019	Morgan Stanley	USD	(2)	20,654	(150)	(93)
Sale	UnitedHealth Group Inc., Call Option, Strike Price 260, Jul. 2019	Morgan Stanley	USD	(3)	73,203	(327)	416
Sale	UnitedHealth Group Inc., Call Option, Strike Price 260, Sep. 2019	Morgan Stanley	USD	(1)	24,401	(380)	327

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	Verizon Communications Inc., Call Option, Strike Price 60, Sep. 2019	Morgan Stanley	USD	(4)	22,852	(288)	147
Sale	Verizon Communications Inc., Call Option, Strike Price 62.5, Sep. 2019	Morgan Stanley	USD	(9)	51,417	(243)	747
Sale	Visa Inc., A, Call Option, Strike Price 180, Jul. 2019	Morgan Stanley	USD	(2)	34,710	(84)	51
Sale	Visa Inc., A, Call Option, Strike Price 185, Sep. 2019	Morgan Stanley	USD	(2)	34,710	(310)	83
Sale	Walgreens Boots Alliance Inc., Call Option, Strike Price 57.5, Jul. 2019	Morgan Stanley	USD	(22)	120,274	(506)	646
Sale	Waste Management Inc., Call Option, Strike Price 125, Oct. 2019	Morgan Stanley	USD	(2)	23,074	(224)	51
						96,731	(475,775)
Future Option Purchase	Euro-Bund, Put Option, Strike Price 168, Aug. 2019	JPMorgan	EUR	80	1,571,035,790	9,097	(15,441)
Sale	Euro-Bund, Put Option, Strike Price 170, Aug. 2019	JPMorgan	EUR	(27)	530,224,579	(8,903)	11,873
						194	(3,568)
Index Option Purchase	Euro STOXX 50 Index, Call Option, Strike Price 3700, Dec. 2019	JPMorgan	EUR	700	27,643,452	236,403	114,547
Purchase	Euro STOXX Banks Index, Call Option, Strike Price 105, Dec. 2019	JPMorgan	EUR	400	2,004,039	13,645	(26,854)
Purchase	Euro STOXX Banks Index, Call Option, Strike Price 115, Dec. 2019	JPMorgan	EUR	1,150	5,761,613	9,807	(28,022)
Purchase	Euro STOXX Banks Index, Call Option, Strike Price 120, Dec. 2019	JPMorgan	EUR	88	440,889	249	(3,469)
Purchase	S&P 500 Index, Put Option, Strike Price 2550, Jul. 2019	JPMorgan	USD	103	30,300,128	11,845	(127,724)
Purchase	S&P 500 Index, Put Option, Strike Price 2650, Jul. 2019	JPMorgan	USD	25	7,354,400	5,000	(61,826)
Purchase	Euro STOXX 50 Index, Put Option, Strike Price 3100, Jul. 2019	Morgan Stanley	EUR	207	8,174,564	2,589	(76,128)
Purchase	Euro STOXX 50 Index, Put Option, Strike Price 3250, Aug. 2019	Morgan Stanley	EUR	105	4,146,518	17,790	(25,198)
Purchase	Euro STOXX 50 Index, Put Option, Strike Price 3300, Jul. 2019	Morgan Stanley	EUR	149	5,884,106	10,505	(4,474)
Purchase	Nasdaq-100 Reduced-Value Index, Put Option, Strike Price 1340, Jul. 2019	Morgan Stanley	USD	138	21,172,236	12,420	(180,836)
Purchase	Nasdaq-100 Reduced-Value Index, Put Option, Strike Price 1460, Jul. 2019	Morgan Stanley	USD	115	17,643,530	83,375	(115,923)
Purchase	Nasdaq-100 Reduced-Value Index, Put Option, Strike Price 1500, Jul. 2019	Morgan Stanley	USD	115	17,643,530	190,900	28,769
Purchase	S&P 500 Index, Put Option, Strike Price 2600, Jul. 2019	Morgan Stanley	USD	376	110,610,176	52,640	(276,568)
Purchase	S&P 500 Index, Put Option, Strike Price 2700, Jul. 2019	Morgan Stanley	USD	125	36,772,000	37,500	(46,180)
Purchase	S&P 500 Index, Put Option, Strike Price 2750, Jul. 2019	Morgan Stanley	USD	182	53,540,032	76,440	(47,306)
Sale	Euro STOXX 50 Index, Call Option, Strike Price 3750, Dec. 2019	JPMorgan	EUR	(700)	27,643,452	(157,602)	(66,787)
Sale	Euro STOXX Banks Index, Call Option, Strike Price 125, Dec. 2019	JPMorgan	EUR	(1,688)	8,457,045	(4,798)	33,741
Sale	Euro STOXX Banks Index, Put Option, Strike Price 70, Dec. 2019	JPMorgan	EUR	(80)	400,808	(4,548)	17,568
Sale	S&P 500 Index, Put Option, Strike Price 2350, Jul. 2019	JPMorgan	USD	(103)	30,300,128	(4,120)	38,312
Sale	S&P 500 Index, Put Option, Strike Price 2450, Jul. 2019	JPMorgan	USD	(25)	7,354,400	(1,625)	14,424

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Franklin K2 Alternative Strategies Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	Euro STOXX 50 Index, Put Option, Strike Price 2900, Jul. 2019	Morgan Stanley	EUR	(207)	8,174,564	(942)	22,785
Sale	Euro STOXX 50 Index, Put Option, Strike Price 3050, Aug. 2019	Morgan Stanley	EUR	(105)	4,146,518	(5,492)	8,972
						581,981	(808,177)
						694,491	(1,188,597)

Franklin K2 Long Short Credit Fund

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Equity Option Purchase	CNX Resources Corp., Put Option, Strike Price 10, Jul. 2019	Goldman Sachs	USD	81,000	592,110	21,784	18,626
Purchase	Tenneco Inc., A, Call Option, Strike Price 13, Jan. 2020	Goldman Sachs	USD	139,100	1,542,619	14,796	2,277
Purchase	At Home Group Inc., Call Option, Strike Price 10, Dec. 2019	JPMorgan	USD	45	29,970	3,600	(1,924)
Purchase	Beazer Homes USA Inc., Call Option, Strike Price 11, Nov. 2019	JPMorgan	USD	90	86,490	6,750	(2,386)
Purchase	Carvana Co., Put Option, Strike Price 50, Aug. 2019	JPMorgan	USD	35	219,065	6,475	(3,089)
Purchase	Sprint Corp., Put Option, Strike Price 5, Jan. 2020	JPMorgan	USD	162	106,434	9,720	453
						63,125	13,957
Index Option Purchase	S&P 500 Index, Put Option, Strike Price 2600, Jul. 2019	JPMorgan	USD	31	9,119,456	4,340	(22,843)
Purchase	S&P 500 Index, Put Option, Strike Price 2700, Jul. 2019	JPMorgan	USD	12	3,530,112	3,600	(4,475)
Purchase	S&P 500 Index, Put Option, Strike Price 2750, Jul. 2019	JPMorgan	USD	15	4,412,640	6,300	(3,915)
						14,240	(31,233)
						77,365	(17,276)

Templeton Asian Bond Fund

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Currency Option Purchase	AUD/JPY, Call Option, Strike Price 82.35, Feb. 2020	Citigroup	AUD	210,000	160,392	300	(576)
Purchase	AUD/JPY, Call Option, Strike Price 84, May 2020	Citigroup	AUD	936,000	729,215	1,459	(3,143)
Purchase	AUD/JPY, Call option, Strike Price 84.33, Nov. 2020	Citigroup	AUD	702,000	549,060	2,199	(2,489)
Purchase	AUD/JPY, Call Option, Strike Price 85.50, May 2020	Citigroup	AUD	3,742,000	2,967,362	4,045	(8,374)
Purchase	AUD/JPY, Call Option, Strike Price 86.63, May 2020	Citigroup	AUD	1,029,000	826,769	912	(1,620)
Purchase	AUD/JPY, Put Option, Strike Price 65.55, May 2020	Citigroup	AUD	1,871,000	1,137,489	7,640	(6,728)
Purchase	AUD/JPY, Put Option, Strike Price 66.78, Nov. 2020	Citigroup	AUD	351,000	217,397	3,256	(2,184)
Purchase	AUD/JPY, Put Option, Strike Price 69.18, Nov. 2020	Citigroup	AUD	210,000	134,741	2,627	(1,567)
Purchase	AUD/JPY, Put Option, Strike Price 69.54, May 2020	Citigroup	AUD	749,000	483,078	5,715	(3,000)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Asian Bond Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Purchase	AUD/JPY, Put Option, Strike Price 70.65, May 2020	Citigroup	AUD	468,000	306,661	4,277	(1,327)
Purchase	AUD/JPY, Put Option, Strike Price 72.78, Nov. 2020	Citigroup	AUD	877,000	591,987	17,333	(9,648)
Purchase	AUD/JPY, Put Option, Strike Price 73.25, May 2020	Citigroup	AUD	1,872,000	1,271,786	26,336	(13,691)
Purchase	AUD/JPY, Put Option, Strike Price 74, Nov. 2020	Citigroup	AUD	632,000	433,760	14,587	(6,873)
Purchase	AUD/JPY, Put Option, Strike Price 74.475, May 2020	Citigroup	AUD	3,462,000	2,391,323	59,548	(19,663)
Purchase	AUD/JPY, Put Option, Strike Price 75.05, May 2020	Citigroup	AUD	1,404,000	977,279	26,543	(4,500)
Purchase	AUD/USD, Call Option, Strike Price 0.7665, May 2020	HSBC	AUD	1,474,000	1,129,821	3,780	(3,567)
Purchase	AUD/USD, Call Option, Strike Price 0.7692, Apr. 2020	HSBC	AUD	1,170,000	899,964	2,687	(2,492)
Purchase	AUD/USD, Call Option, Strike Price 0.773, May 2020	HSBC	AUD	936,000	723,528	1,993	(2,137)
Purchase	AUD/USD, Put Option, Strike Price 0.6529, May 2020	HSBC	AUD	1,871,000	1,221,576	7,678	(8,575)
Purchase	AUD/USD, Put Option, Strike Price 0.653, May 2020	HSBC	AUD	3,930,000	2,566,290	10,276	(21,866)
Purchase	AUD/USD, Put Option, Strike Price 0.657, Apr. 2020	HSBC	AUD	3,119,000	2,049,183	13,758	(11,578)
Purchase	AUD/USD, Put Option, Strike Price 0.6645, May 2020	HSBC	AUD	1,559,000	1,035,956	8,435	(8,216)
Purchase	AUD/USD, Put Option, Strike Price 0.6755, May 2020	HSBC	AUD	1,950,000	1,317,225	13,748	(10,271)
Purchase	AUD/USD, Put Option, Strike Price 0.6766, May 2020	HSBC	AUD	935,000	632,621	6,828	(5,830)
Purchase	AUD/USD, Put Option, Strike Price 0.6795, Apr. 2020	HSBC	AUD	1,560,000	1,060,020	11,970	(7,952)
Purchase	AUD/USD, Put Option, Strike Price 0.6743, Nov. 2019	Morgan Stanley	AUD	12,000	8,092	34	(72)
Sale	AUD/JPY, Call Option, Strike Price 77.28, Feb. 2020	Citigroup	AUD	(702,000)	503,159	(5,335)	6,180
Sale	AUD/JPY, Call Option, Strike Price 77.35, May 2020	Citigroup	AUD	(3,742,000)	2,684,508	(34,911)	39,301
Sale	AUD/JPY, Call option, Strike Price 78.18, Feb. 2020	Citigroup	AUD	(421,000)	305,266	(2,413)	3,093
Sale	AUD/JPY, Call Option, Strike Price 78.60, May 2020	Citigroup	AUD	(1,497,000)	1,091,302	(10,048)	14,439
Sale	AUD/JPY, Call Option, Strike Price 79.10, May 2020	Citigroup	AUD	(936,000)	686,678	(5,490)	9,173
Sale	AUD/JPY, Call Option, Strike Price 79.45, Feb. 2020	Citigroup	AUD	(631,000)	464,969	(2,382)	3,472
Sale	AUD/JPY, Call Option, Strike Price 79.77, Nov. 2019	Citigroup	AUD	(2,245,000)	1,660,950	(3,654)	13,517
Sale	AUD/JPY, Call Option, Strike Price 80.15, Nov. 2019	Citigroup	AUD	(936,000)	695,793	(1,275)	5,122
Sale	AUD/JPY, Call Option, Strike Price 80.32, Feb. 2020	Citigroup	AUD	(702,000)	522,952	(1,976)	3,139
Sale	AUD/JPY, Call Option, Strike Price 80.6, Nov. 2019	Citigroup	AUD	(1,872,000)	1,399,399	(2,109)	7,892
Sale	AUD/USD, Call Option, Strike Price 0.7065, May 2020	HSBC	AUD	(1,474,000)	1,041,381	(21,981)	12,388
Sale	AUD/USD, Call Option, Strike Price 0.71, Apr. 2020	HSBC	AUD	(1,170,000)	830,700	(15,850)	9,525
Sale	AUD/USD, Call Option, Strike Price 0.7133, Nov. 2020	HSBC	AUD	(936,000)	667,649	(16,724)	9,291

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Asian Bond Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	AUD/USD, Call Option, Strike Price 0.775, May 2021	HSBC	AUD	(1,559,000)	1,208,225	(11,659)	8,164
Sale	AUD/USD, Call Option, Strike Price 0.7961, Nov. 2020	HSBC	AUD	(1,871,000)	1,489,503	(5,411)	4,649
Sale	AUD/USD, Call Option, Strike Price 0.80, May 2021	HSBC	AUD	(2,948,000)	2,358,400	(13,767)	9,601
Sale	AUD/USD, Call Option, Strike Price 0.8065, Apr. 2021	HSBC	AUD	(2,340,000)	1,887,210	(9,563)	6,106
Sale	AUD/USD, Call Option, Strike Price 0.718, Nov. 2019	Morgan Stanley	AUD	(12,000)	8,616	(62)	26
						93,354	(2,861)

Templeton Emerging Markets Balanced Fund

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Currency Option							
Purchase	AUD/JPY, Call Option, Strike Price 82.35, Feb. 2020	Citigroup	AUD	30,000	22,913	43	(82)
Purchase	AUD/JPY, Call Option, Strike Price 84, May 2020	Citigroup	AUD	133,000	103,617	207	(447)
Purchase	AUD/JPY, Call option, Strike Price 84.33, Nov. 2020	Citigroup	AUD	100,000	78,214	313	(354)
Purchase	AUD/JPY, Call Option, Strike Price 85.50, May 2020	Citigroup	AUD	533,000	422,663	576	(1,193)
Purchase	AUD/JPY, Call Option, Strike Price 86.63, May 2020	Citigroup	AUD	147,000	118,110	130	(231)
Purchase	AUD/JPY, Put Option, Strike Price 65.55, May 2020	Citigroup	AUD	266,000	161,717	1,086	(956)
Purchase	AUD/JPY, Put Option, Strike Price 66.78, Nov. 2020	Citigroup	AUD	50,000	30,968	464	(311)
Purchase	AUD/JPY, Put Option, Strike Price 69.18, Nov. 2020	Citigroup	AUD	30,000	19,249	375	(224)
Purchase	AUD/JPY, Put Option, Strike Price 69.54, May 2020	Citigroup	AUD	106,000	68,366	809	(425)
Purchase	AUD/JPY, Put Option, Strike Price 70.65, May 2020	Citigroup	AUD	66,000	43,247	603	(187)
Purchase	AUD/JPY, Put Option, Strike Price 72.78, Nov. 2020	Citigroup	AUD	125,000	84,377	2,471	(1,375)
Purchase	AUD/JPY, Put Option, Strike Price 73.25, May 2020	Citigroup	AUD	266,000	180,713	3,742	(1,945)
Purchase	AUD/JPY, Put Option, Strike Price 74, Nov. 2020	Citigroup	AUD	90,000	61,770	2,077	(979)
Purchase	AUD/JPY, Put Option, Strike Price 74.475, May 2020	Citigroup	AUD	493,000	340,532	8,480	(2,800)
Purchase	AUD/JPY, Put Option, Strike Price 75.05, May 2020	Citigroup	AUD	200,000	139,214	3,781	(641)
Purchase	USD/MXN, Call Option, Strike Price 20.0014, Nov. 2019	Citigroup	USD	262,000	272,880	4,693	(1,189)
Purchase	USD/MXN, Call Option, Strike Price 20.50, Dec. 2019	Citigroup	USD	810,000	864,668	12,278	(10,888)
Purchase	USD/MXN, Call Option, Strike Price 20.50, May 2020	Citigroup	USD	1,465,000	1,563,875	53,700	(8,336)
Purchase	USD/MXN, Call Option, Strike Price 20.8674, May 2020	Citigroup	USD	984,000	1,069,237	30,745	(3,267)
Purchase	USD/MXN, Call Option, Strike Price 20.92, May 2020	Citigroup	USD	872,000	949,924	26,292	(1,643)
Purchase	USD/MXN, Put Option, Strike Price 18.2472, Oct. 2019	Citigroup	USD	405,000	384,824	1,010	(640)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Emerging Markets Balanced Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Purchase	USD/MXN, Put Option, Strike Price 18.2796, Nov. 2019	Citigroup	USD	262,000	249,390	908	(491)
Purchase	USD/MXN, Put Option, Strike Price 18.3052, May 2020	Citigroup	USD	246,000	234,488	2,029	142
Purchase	AUD/USD, Call Option, Strike Price 0.7665, May 2020	HSBC	AUD	210,000	160,965	539	(508)
Purchase	AUD/USD, Call Option, Strike Price 0.7692, Apr. 2020	HSBC	AUD	166,000	127,687	381	(354)
Purchase	AUD/USD, Call Option, Strike Price 0.773, May 2020	HSBC	AUD	133,000	102,809	283	(304)
Purchase	AUD/USD, Put Option, Strike Price 0.6529, May 2020	HSBC	AUD	266,000	173,671	1,092	(1,219)
Purchase	AUD/USD, Put Option, Strike Price 0.653, May 2020	HSBC	AUD	560,000	365,680	1,464	(3,116)
Purchase	AUD/USD, Put Option, Strike Price 0.657, Apr. 2020	HSBC	AUD	444,000	291,708	1,959	(1,648)
Purchase	AUD/USD, Put Option, Strike Price 0.6645, May 2020	HSBC	AUD	222,000	147,519	1,201	(1,170)
Purchase	AUD/USD, Put Option, Strike Price 0.6755, May 2020	HSBC	AUD	278,000	187,789	1,960	(1,464)
Purchase	AUD/USD, Put Option, Strike Price 0.6766, May 2020	HSBC	AUD	133,000	89,988	971	(829)
Purchase	AUD/USD, Put Option, Strike Price 0.6795, Apr. 2020	HSBC	AUD	222,000	150,849	1,703	(1,132)
Purchase	USD/MXN, Call Option, Strike Price 20.11, Nov. 2019	JPMorgan	USD	984,000	1,030,428	17,066	(10,402)
Purchase	USD/MXN, Call Option, Strike Price 20.135, Dec. 2019	JPMorgan	USD	185,000	193,970	4,088	(1,113)
Purchase	USD/MXN, Call Option, Strike Price 20.252, Oct. 2019	JPMorgan	USD	740,000	780,387	8,545	(3,708)
Purchase	USD/MXN, Call Option, Strike Price 20.9283, May 2020	JPMorgan	USD	562,000	612,464	16,948	(2,802)
Purchase	USD/MXN, Call Option, Strike Price 21.922, Oct. 2019	JPMorgan	USD	370,000	422,369	1,122	(2,250)
Purchase	USD/MXN, Call Option, Strike Price 22.35, Nov. 2019	JPMorgan	USD	492,000	572,602	1,733	(2,758)
Purchase	USD/MXN, Put Option, Strike Price 18.8545, Dec. 2019	JPMorgan	USD	370,000	363,268	3,642	1,467
Purchase	USD/MXN, Put Option, Strike Price 20.3405, Dec. 2019	JPMorgan	USD	370,000	391,899	18,231	6,772
Purchase	AUD/USD, Put Option, Strike Price 0.6743, Nov. 2019	Morgan Stanley	AUD	1,000	674	3	(6)
Sale	AUD/JPY, Call Option, Strike Price 77.28, Feb. 2020	Citigroup	AUD	(100,000)	71,675	(760)	880
Sale	AUD/JPY, Call Option, Strike Price 77.35, May 2020	Citigroup	AUD	(533,000)	382,374	(4,973)	5,598
Sale	AUD/JPY, Call option, Strike Price 78.18, Feb. 2020	Citigroup	AUD	(60,000)	43,506	(344)	441
Sale	AUD/JPY, Call Option, Strike Price 78.60, May 2020	Citigroup	AUD	(213,000)	155,275	(1,430)	2,054
Sale	AUD/JPY, Call Option, Strike Price 79.10, May 2020	Citigroup	AUD	(133,000)	97,573	(780)	1,303
Sale	AUD/JPY, Call Option, Strike Price 79.45, Feb. 2020	Citigroup	AUD	(90,000)	66,319	(340)	495
Sale	AUD/JPY, Call Option, Strike Price 79.77, Nov. 2019	Citigroup	AUD	(320,000)	236,750	(521)	1,927
Sale	AUD/JPY, Call Option, Strike Price 80.15, Nov. 2019	Citigroup	AUD	(133,000)	98,868	(181)	728
Sale	AUD/JPY, Call Option, Strike Price 80.32, Feb. 2020	Citigroup	AUD	(100,000)	74,495	(282)	447

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Emerging Markets Balanced Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	AUD/JPY, Call Option, Strike Price 80.6, Nov. 2019	Citigroup	AUD	(266,000)	198,846	(300)	1,121
Sale	USD/MXN, Call Option, Strike Price 19.55, May 2020	Citigroup	USD	(488,000)	496,795	(28,290)	2,552
Sale	USD/MXN, Call Option, Strike Price 19.82, May 2020	Citigroup	USD	(349,000)	360,197	(17,823)	229
Sale	USD/MXN, Call Option, Strike Price 21.9, Dec. 2019	Citigroup	USD	(810,000)	923,719	(4,697)	5,574
Sale	USD/MXN, Call Option, Strike Price 22.55, May 2020	Citigroup	USD	(488,000)	573,029	(7,187)	1,490
Sale	USD/MXN, Call Option, Strike Price 22.8512, May 2020	Citigroup	USD	(492,000)	585,443	(6,549)	873
Sale	USD/MXN, Call Option, Strike Price 23.85, May 2020	Citigroup	USD	(349,000)	433,435	(3,171)	197
Sale	USD/MXN, Put Option, Strike Price 18.6616, Oct. 2019	Citigroup	USD	(404,000)	392,591	(2,190)	725
Sale	USD/MXN, Put Option, Strike Price 18.7438, Nov. 2019	Citigroup	USD	(523,000)	510,470	(3,857)	1,221
Sale	USD/MXN, Put Option, Strike Price 19.0625, Oct. 2019	Citigroup	USD	(304,000)	301,762	(3,340)	(736)
Sale	USD/MXN, Put Option, Strike Price 19.2441, May 2020	Citigroup	USD	(738,000)	739,545	(14,784)	(607)
Sale	USD/MXN, Put Option, Strike Price 19.55, May 2020	Citigroup	USD	(488,000)	496,795	(12,681)	(815)
Sale	USD/MXN, Put Option, Strike Price 19.69, May 2020	Citigroup	USD	(174,000)	178,404	(5,055)	(66)
Sale	AUD/USD, Call Option, Strike Price 0.7065, May 2020	HSBC	AUD	(210,000)	148,365	(3,132)	1,765
Sale	AUD/USD, Call Option, Strike Price 0.71, Apr. 2020	HSBC	AUD	(166,000)	117,860	(2,249)	1,351
Sale	AUD/USD, Call Option, Strike Price 0.7133, Nov. 2020	HSBC	AUD	(133,000)	94,869	(2,376)	1,320
Sale	AUD/USD, Call Option, Strike Price 0.775, May 2021	HSBC	AUD	(222,000)	172,050	(1,660)	1,163
Sale	AUD/USD, Call Option, Strike Price 0.7961, Nov. 2020	HSBC	AUD	(266,000)	211,763	(769)	661
Sale	AUD/USD, Call Option, Strike Price 0.80, May 2021	HSBC	AUD	(420,000)	336,000	(1,961)	1,368
Sale	AUD/USD, Call Option, Strike Price 0.8065, Apr. 2021	HSBC	AUD	(333,000)	268,565	(1,361)	869
Sale	USD/MXN, Call Option, Strike Price 19.182, Oct. 2019	JPMorgan	USD	(370,000)	369,578	(11,913)	1,784
Sale	USD/MXN, Call Option, Strike Price 21, Nov. 2019	JPMorgan	USD	(984,000)	1,076,031	(8,477)	9,354
Sale	USD/MXN, Call Option, Strike Price 22.482, Oct. 2019	JPMorgan	USD	(370,000)	433,159	(778)	414
Sale	USD/MXN, Call Option, Strike Price 23.7613, May 2020	JPMorgan	USD	(281,000)	347,686	(2,648)	520
Sale	USD/MXN, Put Option, Strike Price 19.182, Oct. 2019	JPMorgan	USD	(370,000)	369,578	(5,013)	898
Sale	USD/MXN, Put Option, Strike Price 19.355, Nov. 2019	JPMorgan	USD	(492,000)	495,871	(8,960)	476
Sale	USD/MXN, Put Option, Strike Price 19.364, Dec. 2019	JPMorgan	USD	(185,000)	186,542	(3,590)	201
Sale	USD/MXN, Put Option, Strike Price 19.4353, Nov. 2019	JPMorgan	USD	(281,000)	284,386	(5,721)	(175)
Sale	USD/MXN, Put Option, Strike Price 20.01, Dec. 2019	JPMorgan	USD	(740,000)	771,062	(27,756)	(11,463)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Emerging Markets Balanced Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	AUD/USD, Call Option, Strike Price 0.718, Nov. 2019	Morgan Stanley	AUD	(1,000)	718	(5)	2
						31,839	(28,867)

Templeton Emerging Markets Bond Fund

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Currency Option Purchase	AUD/JPY, Call Option, Strike Price 82.35, Feb. 2020	Citigroup	AUD	4,947,000	3,778,385	7,063	(13,564)
Purchase	AUD/JPY, Call Option, Strike Price 84, May 2020	Citigroup	AUD	21,986,000	17,128,770	34,261	(73,833)
Purchase	AUD/JPY, Call option, Strike Price 84.33, Nov. 2020	Citigroup	AUD	16,490,000	12,897,437	51,660	(58,455)
Purchase	AUD/JPY, Call Option, Strike Price 85.50, May 2020	Citigroup	AUD	87,945,000	69,739,357	95,069	(196,803)
Purchase	AUD/JPY, Call Option, Strike Price 86.63, May 2020	Citigroup	AUD	24,185,000	19,431,892	21,442	(38,073)
Purchase	AUD/JPY, Put Option, Strike Price 65.55, May 2020	Citigroup	AUD	43,972,000	26,733,116	179,548	(158,111)
Purchase	AUD/JPY, Put Option, Strike Price 66.78, Nov. 2020	Citigroup	AUD	8,245,000	5,106,669	76,489	(51,306)
Purchase	AUD/JPY, Put Option, Strike Price 69.18, Nov. 2020	Citigroup	AUD	4,947,000	3,174,119	61,895	(36,915)
Purchase	AUD/JPY, Put Option, Strike Price 69.54, May 2020	Citigroup	AUD	17,589,000	11,344,269	134,195	(70,458)
Purchase	AUD/JPY, Put Option, Strike Price 70.65, May 2020	Citigroup	AUD	10,993,000	7,203,260	100,469	(31,174)
Purchase	AUD/JPY, Put Option, Strike Price 72.78, Nov. 2020	Citigroup	AUD	20,612,000	13,913,387	407,378	(226,735)
Purchase	AUD/JPY, Put Option, Strike Price 73.25, May 2020	Citigroup	AUD	43,972,000	29,873,391	618,619	(321,592)
Purchase	AUD/JPY, Put Option, Strike Price 74, Nov. 2020	Citigroup	AUD	14,841,000	10,185,810	342,542	(161,385)
Purchase	AUD/JPY, Put Option, Strike Price 74.475, May 2020	Citigroup	AUD	81,349,000	56,190,566	1,399,250	(462,049)
Purchase	AUD/JPY, Put Option, Strike Price 75.05, May 2020	Citigroup	AUD	32,979,000	22,955,611	623,465	(105,707)
Purchase	USD/MXN, Call Option, Strike Price 20.0014, Nov. 2019	Citigroup	USD	43,051,000	44,838,823	771,086	(195,408)
Purchase	USD/MXN, Call Option, Strike Price 20.50, Dec. 2019	Citigroup	USD	133,172,000	142,159,978	2,018,621	(1,790,098)
Purchase	USD/MXN, Call Option, Strike Price 20.50, May 2020	Citigroup	USD	241,087,000	257,358,323	8,837,044	(1,371,785)
Purchase	USD/MXN, Call Option, Strike Price 20.8674, May 2020	Citigroup	USD	161,876,000	175,898,190	5,057,816	(537,428)
Purchase	USD/MXN, Call Option, Strike Price 20.92, May 2020	Citigroup	USD	143,504,000	156,327,813	4,326,789	(270,362)
Purchase	USD/MXN, Put Option, Strike Price 18.2472, Oct. 2019	Citigroup	USD	66,586,000	63,268,818	166,065	(105,272)
Purchase	USD/MXN, Put Option, Strike Price 18.2796, Nov. 2019	Citigroup	USD	43,051,000	40,978,919	149,172	(80,721)
Purchase	USD/MXN, Put Option, Strike Price 18.3052, May 2020	Citigroup	USD	40,469,000	38,575,140	333,707	23,310
Purchase	AUD/USD, Call Option, Strike Price 0.7665, May 2020	HSBC	AUD	34,628,000	26,542,362	88,794	(83,789)
Purchase	AUD/USD, Call Option, Strike Price 0.7692, Apr. 2020	HSBC	AUD	27,482,000	21,139,154	63,120	(58,531)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Emerging Markets Bond Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Purchase	AUD/USD, Call Option, Strike Price 0.773, May 2020	HSBC	AUD	21,986,000	16,995,178	46,824	(50,208)
Purchase	AUD/USD, Put Option, Strike Price 0.6529, May 2020	HSBC	AUD	43,972,000	28,709,319	180,444	(201,525)
Purchase	AUD/USD, Put Option, Strike Price 0.653, May 2020	HSBC	AUD	92,342,000	60,299,326	241,453	(513,777)
Purchase	AUD/USD, Put Option, Strike Price 0.657, Apr. 2020	HSBC	AUD	73,287,000	48,149,559	323,273	(272,048)
Purchase	AUD/USD, Put Option, Strike Price 0.6645, May 2020	HSBC	AUD	36,644,000	24,349,938	198,267	(193,125)
Purchase	AUD/USD, Put Option, Strike Price 0.6755, May 2020	HSBC	AUD	45,804,000	30,940,602	322,936	(241,255)
Purchase	AUD/USD, Put Option, Strike Price 0.6766, May 2020	HSBC	AUD	21,986,000	14,875,728	160,550	(137,093)
Purchase	AUD/USD, Put Option, Strike Price 0.6795, Apr. 2020	HSBC	AUD	36,644,000	24,899,598	281,170	(186,797)
Purchase	USD/MXN, Call Option, Strike Price 20.11, Nov. 2019	JPMorgan	USD	161,876,000	169,513,816	2,807,578	(1,711,220)
Purchase	USD/MXN, Call Option, Strike Price 20.135, Dec. 2019	JPMorgan	USD	30,429,000	31,904,348	672,359	(183,088)
Purchase	USD/MXN, Call Option, Strike Price 20.252, Oct. 2019	JPMorgan	USD	121,717,000	128,360,004	1,405,466	(609,863)
Purchase	USD/MXN, Call Option, Strike Price 20.9283, May 2020	JPMorgan	USD	92,501,000	100,807,059	2,789,460	(461,141)
Purchase	USD/MXN, Call Option, Strike Price 21.922, Oct. 2019	JPMorgan	USD	60,859,000	69,472,919	184,524	(370,144)
Purchase	USD/MXN, Call Option, Strike Price 22.35, Nov. 2019	JPMorgan	USD	80,938,000	94,197,757	285,064	(453,657)
Purchase	USD/MXN, Put Option, Strike Price 18.8545, Dec. 2019	JPMorgan	USD	60,859,000	59,751,718	598,974	241,367
Purchase	USD/MXN, Put Option, Strike Price 20.3405, Dec. 2019	JPMorgan	USD	60,859,000	64,460,994	2,998,706	1,113,902
Purchase	AUD/USD, Put Option, Strike Price 0.6743, Nov. 2019	Morgan Stanley	AUD	145,000	97,774	413	(874)
Sale	AUD/JPY, Call Option, Strike Price 77.28, Feb. 2020	Citigroup	AUD	(16,490,000)	11,819,210	(125,313)	145,158
Sale	AUD/JPY, Call Option, Strike Price 77.35, May 2020	Citigroup	AUD	(87,945,000)	63,091,688	(820,493)	923,660
Sale	AUD/JPY, Call option, Strike Price 78.18, Feb. 2020	Citigroup	AUD	(9,894,000)	7,174,114	(56,714)	72,690
Sale	AUD/JPY, Call Option, Strike Price 78.60, May 2020	Citigroup	AUD	(35,178,000)	25,644,508	(236,116)	339,308
Sale	AUD/JPY, Call Option, Strike Price 79.10, May 2020	Citigroup	AUD	(21,986,000)	16,129,592	(128,959)	215,476
Sale	AUD/JPY, Call Option, Strike Price 79.45, Feb. 2020	Citigroup	AUD	(14,841,000)	10,935,981	(56,016)	81,660
Sale	AUD/JPY, Call Option, Strike Price 79.77, Nov. 2019	Citigroup	AUD	(52,767,000)	39,039,358	(85,895)	317,698
Sale	AUD/JPY, Call Option, Strike Price 80.15, Nov. 2019	Citigroup	AUD	(21,986,000)	16,343,702	(29,940)	120,311
Sale	AUD/JPY, Call Option, Strike Price 80.32, Feb. 2020	Citigroup	AUD	(16,490,000)	12,284,148	(46,428)	73,724
Sale	AUD/JPY, Call Option, Strike Price 80.6, Nov. 2019	Citigroup	AUD	(43,972,000)	32,870,926	(49,540)	185,385
Sale	USD/MXN, Call Option, Strike Price 19.55, May 2020	Citigroup	USD	(80,362,000)	81,810,315	(4,658,665)	420,213
Sale	USD/MXN, Call Option, Strike Price 19.82, May 2020	Citigroup	USD	(57,402,000)	59,243,572	(2,931,520)	37,598
Sale	USD/MXN, Call Option, Strike Price 21.9, Dec. 2019	Citigroup	USD	(133,172,000)	151,868,464	(772,264)	916,357

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Emerging Markets Bond Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	USD/MXN, Call Option, Strike Price 22.55, May 2020	Citigroup	USD	(80,362,000)	94,364,327	(1,183,491)	245,345
Sale	USD/MXN, Call Option, Strike Price 22.8512, May 2020	Citigroup	USD	(80,938,000)	96,310,147	(1,077,366)	143,584
Sale	USD/MXN, Call Option, Strike Price 23.85, May 2020	Citigroup	USD	(57,402,000)	71,289,566	(521,555)	32,375
Sale	USD/MXN, Put Option, Strike Price 18.6616, Oct. 2019	Citigroup	USD	(66,586,000)	64,705,674	(360,963)	119,455
Sale	USD/MXN, Put Option, Strike Price 18.7438, Nov. 2019	Citigroup	USD	(86,103,000)	84,040,086	(635,010)	201,050
Sale	USD/MXN, Put Option, Strike Price 19.0625, Oct. 2019	Citigroup	USD	(49,940,000)	49,572,287	(548,641)	(120,905)
Sale	USD/MXN, Put Option, Strike Price 19.2441, May 2020	Citigroup	USD	(121,407,000)	121,661,144	(2,432,146)	(99,918)
Sale	USD/MXN, Put Option, Strike Price 19.55, May 2020	Citigroup	USD	(80,362,000)	81,810,315	(2,088,207)	(134,205)
Sale	USD/MXN, Put Option, Strike Price 19.69, May 2020	Citigroup	USD	(28,701,000)	29,427,496	(833,793)	(10,935)
Sale	AUD/USD, Call Option, Strike Price 0.7065, May 2020	HSBC	AUD	(34,628,000)	24,464,682	(516,381)	291,016
Sale	AUD/USD, Call Option, Strike Price 0.71, Apr. 2020	HSBC	AUD	(27,482,000)	19,512,220	(372,297)	223,736
Sale	AUD/USD, Call Option, Strike Price 0.7133, Nov. 2020	HSBC	AUD	(21,986,000)	15,682,614	(392,833)	218,239
Sale	AUD/USD, Call Option, Strike Price 0.775, May 2021	HSBC	AUD	(36,643,000)	28,398,325	(274,037)	191,893
Sale	AUD/USD, Call Option, Strike Price 0.7961, Nov. 2020	HSBC	AUD	(43,972,000)	35,006,109	(127,169)	109,252
Sale	AUD/USD, Call Option, Strike Price 0.80, May 2021	HSBC	AUD	(69,256,000)	55,404,800	(323,431)	225,555
Sale	AUD/USD, Call Option, Strike Price 0.8065, Apr. 2021	HSBC	AUD	(54,966,000)	44,330,079	(224,632)	143,425
Sale	USD/MXN, Call Option, Strike Price 19.182, Oct. 2019	JPMorgan	USD	(60,859,000)	60,789,597	(1,959,416)	293,483
Sale	USD/MXN, Call Option, Strike Price 21, Nov. 2019	JPMorgan	USD	(161,877,000)	177,017,012	(1,394,570)	1,538,793
Sale	USD/MXN, Call Option, Strike Price 22.482, Oct. 2019	JPMorgan	USD	(60,859,000)	71,247,613	(127,926)	68,035
Sale	USD/MXN, Call Option, Strike Price 23.7613, May 2020	JPMorgan	USD	(46,250,000)	57,225,883	(435,906)	85,562
Sale	USD/MXN, Put Option, Strike Price 19.182, Oct. 2019	JPMorgan	USD	(60,859,000)	60,789,597	(824,579)	147,764
Sale	USD/MXN, Put Option, Strike Price 19.355, Nov. 2019	JPMorgan	USD	(80,938,000)	81,574,836	(1,473,962)	78,324
Sale	USD/MXN, Put Option, Strike Price 19.364, Dec. 2019	JPMorgan	USD	(30,429,000)	30,682,682	(590,566)	33,101
Sale	USD/MXN, Put Option, Strike Price 19.4353, Nov. 2019	JPMorgan	USD	(46,250,000)	46,807,296	(941,604)	(28,860)
Sale	USD/MXN, Put Option, Strike Price 20.01, Dec. 2019	JPMorgan	USD	(121,718,000)	126,827,216	(4,565,399)	(1,885,412)
Sale	AUD/USD, Call Option, Strike Price 0.718, Nov. 2019	Morgan Stanley	AUD	(145,000)	104,110	(756)	311
						5,238,521	(4,747,489)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Bond Fund

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Currency Option Purchase	AUD/JPY, Call Option, Strike Price 82.35, Feb. 2020	Citigroup	AUD	6,865,000	5,243,301	9,802	(18,823)
Purchase	AUD/JPY, Call Option, Strike Price 84, May 2020	Citigroup	AUD	30,513,000	23,771,953	47,549	(102,468)
Purchase	AUD/JPY, Call option, Strike Price 84.33, Nov. 2020	Citigroup	AUD	22,884,000	17,898,421	71,691	(81,121)
Purchase	AUD/JPY, Call Option, Strike Price 85.50, May 2020	Citigroup	AUD	122,049,000	96,783,431	131,935	(273,121)
Purchase	AUD/JPY, Call Option, Strike Price 86.63, May 2020	Citigroup	AUD	33,564,000	26,967,625	29,757	(52,837)
Purchase	AUD/JPY, Put Option, Strike Price 65.55, May 2020	Citigroup	AUD	61,025,000	37,100,619	249,180	(219,429)
Purchase	AUD/JPY, Put Option, Strike Price 66.78, Nov. 2020	Citigroup	AUD	11,442,000	7,086,781	106,147	(71,200)
Purchase	AUD/JPY, Put Option, Strike Price 69.18, Nov. 2020	Citigroup	AUD	6,865,000	4,404,755	85,892	(51,227)
Purchase	AUD/JPY, Put Option, Strike Price 69.54, May 2020	Citigroup	AUD	24,410,000	15,743,567	186,236	(97,782)
Purchase	AUD/JPY, Put Option, Strike Price 70.65, May 2020	Citigroup	AUD	15,256,000	9,996,628	139,431	(43,263)
Purchase	AUD/JPY, Put Option, Strike Price 72.78, Nov. 2020	Citigroup	AUD	28,605,000	19,308,773	565,352	(314,658)
Purchase	AUD/JPY, Put Option, Strike Price 73.25, May 2020	Citigroup	AUD	61,025,000	41,458,739	858,529	(446,311)
Purchase	AUD/JPY, Put Option, Strike Price 74, Nov. 2020	Citigroup	AUD	20,596,000	14,135,633	475,373	(223,966)
Purchase	AUD/JPY, Put Option, Strike Price 74.475, May 2020	Citigroup	AUD	112,896,000	77,981,169	1,941,877	(641,231)
Purchase	AUD/JPY, Put Option, Strike Price 75.05, May 2020	Citigroup	AUD	45,769,000	31,858,314	865,259	(146,703)
Purchase	USD/MXN, Call Option, Strike Price 20.0014, Nov. 2019	Citigroup	USD	59,791,000	62,274,002	1,070,917	(271,391)
Purchase	USD/MXN, Call Option, Strike Price 20.50, Dec. 2019	Citigroup	USD	184,954,000	197,436,823	2,803,533	(2,486,152)
Purchase	USD/MXN, Call Option, Strike Price 20.50, May 2020	Citigroup	USD	334,831,000	357,429,246	12,273,230	(1,905,188)
Purchase	USD/MXN, Call Option, Strike Price 20.8674, May 2020	Citigroup	USD	224,820,000	244,294,590	7,024,501	(746,402)
Purchase	USD/MXN, Call Option, Strike Price 20.92, May 2020	Citigroup	USD	199,304,000	217,114,215	6,009,215	(375,489)
Purchase	USD/MXN, Put Option, Strike Price 18.2472, Oct. 2019	Citigroup	USD	92,477,000	87,869,980	230,638	(146,206)
Purchase	USD/MXN, Put Option, Strike Price 18.2796, Nov. 2019	Citigroup	USD	59,791,000	56,913,208	207,176	(112,108)
Purchase	USD/MXN, Put Option, Strike Price 18.3052, May 2020	Citigroup	USD	56,205,000	53,574,730	463,466	32,374
Purchase	AUD/USD, Call Option, Strike Price 0.7665, May 2020	HSBC	AUD	48,057,000	36,835,691	123,229	(116,283)
Purchase	AUD/USD, Call Option, Strike Price 0.7692, Apr. 2020	HSBC	AUD	38,140,000	29,337,288	87,599	(81,230)
Purchase	AUD/USD, Call Option, Strike Price 0.773, May 2020	HSBC	AUD	30,512,000	23,585,776	64,982	(69,679)
Purchase	AUD/USD, Put Option, Strike Price 0.6529, May 2020	HSBC	AUD	61,025,000	39,843,223	250,422	(279,680)
Purchase	AUD/USD, Put Option, Strike Price 0.653, May 2020	HSBC	AUD	128,152,000	83,683,256	335,087	(713,019)
Purchase	AUD/USD, Put Option, Strike Price 0.657, Apr. 2020	HSBC	AUD	101,708,000	66,822,156	448,639	(377,551)
Purchase	AUD/USD, Put Option, Strike Price 0.6645, May 2020	HSBC	AUD	50,854,000	33,792,483	275,152	(268,017)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Bond Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Purchase	AUD/USD, Put Option, Strike Price 0.6755, May 2020	HSBC	AUD	63,568,000	42,940,184	448,179	(334,819)
Purchase	AUD/USD, Put Option, Strike Price 0.6766, May 2020	HSBC	AUD	30,512,000	20,644,419	222,810	(190,256)
Purchase	AUD/USD, Put Option, Strike Price 0.6795, Apr. 2020	HSBC	AUD	50,854,000	34,555,293	390,203	(259,233)
Purchase	USD/MXN, Call Option, Strike Price 20.11, Nov. 2019	JPMorgan	USD	224,820,000	235,427,710	3,899,278	(2,376,612)
Purchase	USD/MXN, Call Option, Strike Price 20.135, Dec. 2019	JPMorgan	USD	42,261,000	44,310,022	933,799	(254,280)
Purchase	USD/MXN, Call Option, Strike Price 20.252, Oct. 2019	JPMorgan	USD	169,045,000	178,271,046	1,951,963	(847,000)
Purchase	USD/MXN, Call Option, Strike Price 20.9283, May 2020	JPMorgan	USD	128,468,000	140,003,689	3,874,081	(640,445)
Purchase	USD/MXN, Call Option, Strike Price 21.922, Oct. 2019	JPMorgan	USD	84,523,000	96,486,297	256,274	(514,069)
Purchase	USD/MXN, Call Option, Strike Price 22.35, Nov. 2019	JPMorgan	USD	112,410,000	130,825,692	395,908	(630,058)
Purchase	USD/MXN, Put Option, Strike Price 18.8545, Dec. 2019	JPMorgan	USD	84,523,000	82,985,170	831,875	335,218
Purchase	USD/MXN, Put Option, Strike Price 20.3405, Dec. 2019	JPMorgan	USD	84,523,000	89,525,569	4,164,702	1,547,024
Purchase	AUD/USD, Put Option, Strike Price 0.6743, Nov. 2019	Morgan Stanley	AUD	145,000	97,774	413	(874)
Sale	AUD/JPY, Call Option, Strike Price 77.28, Feb. 2020	Citigroup	AUD	(22,884,000)	16,402,110	(173,903)	201,444
Sale	AUD/JPY, Call Option, Strike Price 77.35, May 2020	Citigroup	AUD	(122,050,000)	87,558,593	(1,138,680)	1,281,854
Sale	AUD/JPY, Call option, Strike Price 78.18, Feb. 2020	Citigroup	AUD	(13,731,000)	9,956,312	(78,708)	100,880
Sale	AUD/JPY, Call Option, Strike Price 78.60, May 2020	Citigroup	AUD	(48,820,000)	35,589,427	(327,682)	470,891
Sale	AUD/JPY, Call Option, Strike Price 79.10, May 2020	Citigroup	AUD	(30,513,000)	22,385,256	(178,974)	299,045
Sale	AUD/JPY, Call Option, Strike Price 79.45, Feb. 2020	Citigroup	AUD	(20,596,000)	15,176,704	(77,737)	113,326
Sale	AUD/JPY, Call Option, Strike Price 79.77, Nov. 2019	Citigroup	AUD	(73,229,000)	54,178,050	(119,204)	440,895
Sale	AUD/JPY, Call Option, Strike Price 80.15, Nov. 2019	Citigroup	AUD	(30,513,000)	22,682,405	(41,552)	166,972
Sale	AUD/JPY, Call Option, Strike Price 80.32, Feb. 2020	Citigroup	AUD	(22,884,000)	17,047,328	(64,430)	102,310
Sale	AUD/JPY, Call Option, Strike Price 80.6, Nov. 2019	Citigroup	AUD	(61,025,000)	45,618,763	(68,753)	257,281
Sale	USD/MXN, Call Option, Strike Price 19.55, May 2020	Citigroup	USD	(111,610,000)	113,621,478	(6,470,143)	583,609
Sale	USD/MXN, Call Option, Strike Price 19.82, May 2020	Citigroup	USD	(79,722,000)	82,279,643	(4,071,403)	52,218
Sale	USD/MXN, Call Option, Strike Price 21.9, Dec. 2019	Citigroup	USD	(184,954,000)	210,920,313	(1,072,548)	1,272,668
Sale	USD/MXN, Call Option, Strike Price 22.55, May 2020	Citigroup	USD	(111,610,000)	131,056,999	(1,643,680)	340,745
Sale	USD/MXN, Call Option, Strike Price 22.8512, May 2020	Citigroup	USD	(112,410,000)	133,759,465	(1,496,290)	199,415
Sale	USD/MXN, Call Option, Strike Price 23.85, May 2020	Citigroup	USD	(79,722,000)	99,009,561	(724,354)	44,963
Sale	USD/MXN, Put Option, Strike Price 18.6616, Oct. 2019	Citigroup	USD	(92,477,000)	89,865,537	(501,318)	165,904
Sale	USD/MXN, Put Option, Strike Price 18.7438, Nov. 2019	Citigroup	USD	(119,582,000)	116,716,974	(881,917)	279,224

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Bond Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	USD/MXN, Put Option, Strike Price 19.0625, Oct. 2019	Citigroup	USD	(69,358,000)	68,847,311	(761,967)	(167,916)
Sale	USD/MXN, Put Option, Strike Price 19.2441, May 2020	Citigroup	USD	(168,615,000)	168,967,966	(3,377,864)	(138,770)
Sale	USD/MXN, Put Option, Strike Price 19.55, May 2020	Citigroup	USD	(111,610,000)	113,621,478	(2,900,186)	(186,389)
Sale	USD/MXN, Put Option, Strike Price 19.69, May 2020	Citigroup	USD	(39,861,000)	40,869,984	(1,158,002)	(15,187)
Sale	AUD/USD, Call Option, Strike Price 0.7065, May 2020	HSBC	AUD	(48,057,000)	33,952,271	(716,637)	403,875
Sale	AUD/USD, Call Option, Strike Price 0.71, Apr. 2020	HSBC	AUD	(38,140,000)	27,079,400	(516,680)	310,505
Sale	AUD/USD, Call Option, Strike Price 0.7133, Nov. 2020	HSBC	AUD	(30,512,000)	21,764,210	(545,171)	302,871
Sale	AUD/USD, Call Option, Strike Price 0.775, May 2021	HSBC	AUD	(50,854,000)	39,411,850	(380,315)	266,314
Sale	AUD/USD, Call Option, Strike Price 0.7961, Nov. 2020	HSBC	AUD	(61,025,000)	48,582,003	(176,486)	151,621
Sale	AUD/USD, Call Option, Strike Price 0.80, May 2021	HSBC	AUD	(96,114,000)	76,891,200	(448,859)	313,027
Sale	AUD/USD, Call Option, Strike Price 0.8065, Apr. 2021	HSBC	AUD	(76,281,000)	61,520,627	(311,742)	199,043
Sale	USD/MXN, Call Option, Strike Price 19.182, Oct. 2019	JPMorgan	USD	(84,523,000)	84,426,611	(2,721,303)	407,599
Sale	USD/MXN, Call Option, Strike Price 21, Nov. 2019	JPMorgan	USD	(224,819,000)	245,845,844	(1,936,816)	2,137,116
Sale	USD/MXN, Call Option, Strike Price 22.482, Oct. 2019	JPMorgan	USD	(84,523,000)	98,951,051	(177,667)	94,490
Sale	USD/MXN, Call Option, Strike Price 23.7613, May 2020	JPMorgan	USD	(64,234,000)	79,477,780	(605,405)	118,833
Sale	USD/MXN, Put Option, Strike Price 19.182, Oct. 2019	JPMorgan	USD	(84,523,000)	84,426,611	(1,145,202)	205,220
Sale	USD/MXN, Put Option, Strike Price 19.355, Nov. 2019	JPMorgan	USD	(112,410,000)	113,294,464	(2,047,099)	108,779
Sale	USD/MXN, Put Option, Strike Price 19.364, Dec. 2019	JPMorgan	USD	(42,261,000)	42,613,324	(820,202)	45,972
Sale	USD/MXN, Put Option, Strike Price 19.4353, Nov. 2019	JPMorgan	USD	(64,234,000)	65,007,996	(1,307,740)	(40,082)
Sale	USD/MXN, Put Option, Strike Price 20.01, Dec. 2019	JPMorgan	USD	(169,046,000)	176,141,849	(6,340,577)	(2,618,523)
Sale	AUD/USD, Call Option, Strike Price 0.718, Nov. 2019	Morgan Stanley	AUD	(145,000)	104,110	(756)	311
						7,273,329	(6,593,212)

Templeton Global High Yield Fund

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Currency Option							
Purchase	AUD/JPY, Call Option, Strike Price 82.35, Feb. 2020	Citigroup	AUD	31,000	23,677	44	(85)
Purchase	AUD/JPY, Call Option, Strike Price 84, May 2020	Citigroup	AUD	137,000	106,733	214	(460)
Purchase	AUD/JPY, Call option, Strike Price 84.33, Nov. 2020	Citigroup	AUD	103,000	80,560	323	(365)
Purchase	AUD/JPY, Call Option, Strike Price 85.50, May 2020	Citigroup	AUD	549,000	435,351	593	(1,228)
Purchase	AUD/JPY, Call Option, Strike Price 86.63, May 2020	Citigroup	AUD	151,000	121,324	134	(238)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global High Yield Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Purchase	AUD/JPY, Put Option, Strike Price 65.55, May 2020	Citigroup	AUD	274,000	166,580	1,119	(985)
Purchase	AUD/JPY, Put Option, Strike Price 66.78, Nov. 2020	Citigroup	AUD	52,000	32,207	482	(324)
Purchase	AUD/JPY, Put Option, Strike Price 69.18, Nov. 2020	Citigroup	AUD	31,000	19,890	388	(231)
Purchase	AUD/JPY, Put Option, Strike Price 69.54, May 2020	Citigroup	AUD	110,000	70,946	839	(441)
Purchase	AUD/JPY, Put Option, Strike Price 70.65, May 2020	Citigroup	AUD	69,000	45,213	631	(196)
Purchase	AUD/JPY, Put Option, Strike Price 72.78, Nov. 2020	Citigroup	AUD	129,000	87,077	2,550	(1,419)
Purchase	AUD/JPY, Put Option, Strike Price 73.25, May 2020	Citigroup	AUD	274,000	186,148	3,855	(2,004)
Purchase	AUD/JPY, Put Option, Strike Price 74, Nov. 2020	Citigroup	AUD	93,000	63,829	2,147	(1,011)
Purchase	AUD/JPY, Put Option, Strike Price 74.475, May 2020	Citigroup	AUD	509,000	351,584	8,755	(2,891)
Purchase	AUD/JPY, Put Option, Strike Price 75.05, May 2020	Citigroup	AUD	206,000	143,390	3,894	(660)
Purchase	USD/MXN, Call Option, Strike Price 20.0014, Nov. 2019	Citigroup	USD	134,000	139,565	2,400	(608)
Purchase	USD/MXN, Call Option, Strike Price 20.50, Dec. 2019	Citigroup	USD	416,000	444,076	6,306	(5,592)
Purchase	USD/MXN, Call Option, Strike Price 20.50, May 2020	Citigroup	USD	753,000	803,821	27,601	(4,285)
Purchase	USD/MXN, Call Option, Strike Price 20.8674, May 2020	Citigroup	USD	505,000	548,745	15,779	(1,677)
Purchase	USD/MXN, Call Option, Strike Price 20.92, May 2020	Citigroup	USD	448,000	488,034	13,508	(844)
Purchase	USD/MXN, Put Option, Strike Price 18.2472, Oct. 2019	Citigroup	USD	208,000	197,638	519	(329)
Purchase	USD/MXN, Put Option, Strike Price 18.2796, Nov. 2019	Citigroup	USD	134,000	127,550	464	(251)
Purchase	USD/MXN, Put Option, Strike Price 18.3052, May 2020	Citigroup	USD	126,000	120,103	1,039	73
Purchase	AUD/USD, Call Option, Strike Price 0.7665, May 2020	HSBC	AUD	216,000	165,564	554	(523)
Purchase	AUD/USD, Call Option, Strike Price 0.7692, Apr. 2020	HSBC	AUD	172,000	132,302	395	(366)
Purchase	AUD/USD, Call Option, Strike Price 0.773, May 2020	HSBC	AUD	137,000	105,901	292	(313)
Purchase	AUD/USD, Put Option, Strike Price 0.6529, May 2020	HSBC	AUD	274,000	178,895	1,124	(1,256)
Purchase	AUD/USD, Put Option, Strike Price 0.653, May 2020	HSBC	AUD	576,000	376,128	1,506	(3,205)
Purchase	AUD/USD, Put Option, Strike Price 0.657, Apr. 2020	HSBC	AUD	458,000	300,906	2,020	(1,700)
Purchase	AUD/USD, Put Option, Strike Price 0.6645, May 2020	HSBC	AUD	229,000	152,171	1,239	(1,207)
Purchase	AUD/USD, Put Option, Strike Price 0.6755, May 2020	HSBC	AUD	286,000	193,193	2,016	(1,506)
Purchase	AUD/USD, Put Option, Strike Price 0.6766, May 2020	HSBC	AUD	137,000	92,694	1,000	(854)
Purchase	AUD/USD, Put Option, Strike Price 0.6795, Apr. 2020	HSBC	AUD	228,000	154,926	1,749	(1,162)
Purchase	USD/MXN, Call Option, Strike Price 20.11, Nov. 2019	JPMorgan	USD	506,000	529,874	8,776	(5,349)
Purchase	USD/MXN, Call Option, Strike Price 20.135, Dec. 2019	JPMorgan	USD	95,000	99,606	2,099	(572)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global High Yield Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Purchase	USD/MXN, Call Option, Strike Price 20.252, Oct. 2019	JPMorgan	USD	380,000	400,739	4,388	(1,904)
Purchase	USD/MXN, Call Option, Strike Price 20.9283, May 2020	JPMorgan	USD	289,000	314,951	8,715	(1,441)
Purchase	USD/MXN, Call Option, Strike Price 21.922, Oct. 2019	JPMorgan	USD	190,000	216,892	576	(1,156)
Purchase	USD/MXN, Call Option, Strike Price 22.35, Nov. 2019	JPMorgan	USD	253,000	294,448	891	(1,418)
Purchase	USD/MXN, Put Option, Strike Price 18.8545, Dec. 2019	JPMorgan	USD	190,000	186,543	1,870	754
Purchase	USD/MXN, Put Option, Strike Price 20.3405, Dec. 2019	JPMorgan	USD	190,000	201,245	9,362	3,478
Purchase	AUD/USD, Put Option, Strike Price 0.6743, Nov. 2019	Morgan Stanley	AUD	3,000	2,023	9	(18)
Sale	AUD/JPY, Call Option, Strike Price 77.28, Feb. 2020	Citigroup	AUD	(103,000)	73,825	(783)	907
Sale	AUD/JPY, Call Option, Strike Price 77.35, May 2020	Citigroup	AUD	(549,000)	393,852	(5,122)	5,766
Sale	AUD/JPY, Call option, Strike Price 78.18, Feb. 2020	Citigroup	AUD	(62,000)	44,956	(355)	456
Sale	AUD/JPY, Call Option, Strike Price 78.60, May 2020	Citigroup	AUD	(219,000)	159,649	(1,470)	2,112
Sale	AUD/JPY, Call Option, Strike Price 79.10, May 2020	Citigroup	AUD	(137,000)	100,507	(804)	1,343
Sale	AUD/JPY, Call Option, Strike Price 79.45, Feb. 2020	Citigroup	AUD	(93,000)	68,529	(351)	512
Sale	AUD/JPY, Call Option, Strike Price 79.77, Nov. 2019	Citigroup	AUD	(329,000)	243,409	(536)	1,981
Sale	AUD/JPY, Call Option, Strike Price 80.15, Nov. 2019	Citigroup	AUD	(137,000)	101,841	(187)	750
Sale	AUD/JPY, Call Option, Strike Price 80.32, Feb. 2020	Citigroup	AUD	(103,000)	76,729	(290)	461
Sale	AUD/JPY, Call Option, Strike Price 80.6, Nov. 2019	Citigroup	AUD	(274,000)	204,827	(309)	1,155
Sale	USD/MXN, Call Option, Strike Price 19.55, May 2020	Citigroup	USD	(251,000)	255,524	(14,551)	1,313
Sale	USD/MXN, Call Option, Strike Price 19.82, May 2020	Citigroup	USD	(179,000)	184,743	(9,141)	117
Sale	USD/MXN, Call Option, Strike Price 21.9, Dec. 2019	Citigroup	USD	(416,000)	474,404	(2,412)	2,863
Sale	USD/MXN, Call Option, Strike Price 22.55, May 2020	Citigroup	USD	(251,000)	294,734	(3,696)	766
Sale	USD/MXN, Call Option, Strike Price 22.8512, May 2020	Citigroup	USD	(253,000)	301,051	(3,368)	449
Sale	USD/MXN, Call Option, Strike Price 23.85, May 2020	Citigroup	USD	(179,000)	222,306	(1,626)	101
Sale	USD/MXN, Put Option, Strike Price 18.6616, Oct. 2019	Citigroup	USD	(208,000)	202,126	(1,128)	373
Sale	USD/MXN, Put Option, Strike Price 18.7438, Nov. 2019	Citigroup	USD	(269,000)	262,555	(1,984)	628
Sale	USD/MXN, Put Option, Strike Price 19.0625, Oct. 2019	Citigroup	USD	(156,000)	154,851	(1,714)	(378)
Sale	USD/MXN, Put Option, Strike Price 19.2441, May 2020	Citigroup	USD	(379,000)	379,793	(7,592)	(312)
Sale	USD/MXN, Put Option, Strike Price 19.55, May 2020	Citigroup	USD	(251,000)	255,524	(6,522)	(419)
Sale	USD/MXN, Put Option, Strike Price 19.69, May 2020	Citigroup	USD	(90,000)	92,278	(2,615)	(34)
Sale	AUD/USD, Call Option, Strike Price 0.7065, May 2020	HSBC	AUD	(216,000)	152,604	(3,221)	1,815

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global High Yield Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	AUD/USD, Call Option, Strike Price 0.71, Apr. 2020	HSBC	AUD	(172,000)	122,120	(2,330)	1,400
Sale	AUD/USD, Call Option, Strike Price 0.7133, Nov. 2020	HSBC	AUD	(137,000)	97,722	(2,448)	1,360
Sale	AUD/USD, Call Option, Strike Price 0.775, May 2021	HSBC	AUD	(229,000)	177,475	(1,713)	1,199
Sale	AUD/USD, Call Option, Strike Price 0.7961, Nov. 2020	HSBC	AUD	(274,000)	218,131	(792)	681
Sale	AUD/USD, Call Option, Strike Price 0.80, May 2021	HSBC	AUD	(432,000)	345,600	(2,017)	1,407
Sale	AUD/USD, Call Option, Strike Price 0.8065, Apr. 2021	HSBC	AUD	(344,000)	277,436	(1,406)	898
Sale	USD/MXN, Call Option, Strike Price 19.182, Oct. 2019	JPMorgan	USD	(190,000)	189,783	(6,117)	916
Sale	USD/MXN, Call Option, Strike Price 21, Nov. 2019	JPMorgan	USD	(505,000)	552,232	(4,351)	4,801
Sale	USD/MXN, Call Option, Strike Price 22.482, Oct. 2019	JPMorgan	USD	(190,000)	222,433	(399)	212
Sale	USD/MXN, Call Option, Strike Price 23.7613, May 2020	JPMorgan	USD	(144,000)	178,174	(1,357)	266
Sale	USD/MXN, Put Option, Strike Price 19.182, Oct. 2019	JPMorgan	USD	(190,000)	189,783	(2,574)	461
Sale	USD/MXN, Put Option, Strike Price 19.355, Nov. 2019	JPMorgan	USD	(253,000)	254,991	(4,607)	245
Sale	USD/MXN, Put Option, Strike Price 19.364, Dec. 2019	JPMorgan	USD	(95,000)	95,792	(1,844)	103
Sale	USD/MXN, Put Option, Strike Price 19.4353, Nov. 2019	JPMorgan	USD	(144,000)	145,735	(2,932)	(90)
Sale	USD/MXN, Put Option, Strike Price 20.01, Dec. 2019	JPMorgan	USD	(380,000)	395,951	(14,253)	(5,886)
Sale	AUD/USD, Call Option, Strike Price 0.718, Nov. 2019	Morgan Stanley	AUD	(3,000)	2,154	(16)	6
						23,232	(15,065)

Templeton Global Income Fund

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Currency Option							
Purchase	AUD/JPY, Call Option, Strike Price 82.35, Feb. 2020	Citigroup	AUD	181,000	138,243	258	(496)
Purchase	AUD/JPY, Call Option, Strike Price 84, May 2020	Citigroup	AUD	803,000	625,598	1,251	(2,697)
Purchase	AUD/JPY, Call option, Strike Price 84.33, Nov. 2020	Citigroup	AUD	603,000	471,629	1,889	(2,138)
Purchase	AUD/JPY, Call Option, Strike Price 85.50, May 2020	Citigroup	AUD	3,213,000	2,547,871	3,473	(7,190)
Purchase	AUD/JPY, Call Option, Strike Price 86.63, May 2020	Citigroup	AUD	884,000	710,266	784	(1,392)
Purchase	AUD/JPY, Put Option, Strike Price 65.55, May 2020	Citigroup	AUD	1,606,000	976,380	6,558	(5,775)
Purchase	AUD/JPY, Put Option, Strike Price 66.78, Nov. 2020	Citigroup	AUD	301,000	186,429	2,792	(1,873)
Purchase	AUD/JPY, Put Option, Strike Price 69.18, Nov. 2020	Citigroup	AUD	181,000	116,134	2,265	(1,351)
Purchase	AUD/JPY, Put Option, Strike Price 69.54, May 2020	Citigroup	AUD	643,000	414,712	4,906	(2,576)
Purchase	AUD/JPY, Put Option, Strike Price 70.65, May 2020	Citigroup	AUD	402,000	263,414	3,674	(1,140)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Income Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Purchase	AUD/JPY, Put Option, Strike Price 72.78, Nov. 2020	Citigroup	AUD	754,000	508,960	14,902	(8,294)
Purchase	AUD/JPY, Put Option, Strike Price 73.25, May 2020	Citigroup	AUD	1,606,000	1,091,073	22,594	(11,746)
Purchase	AUD/JPY, Put Option, Strike Price 74, Nov. 2020	Citigroup	AUD	542,000	371,990	12,510	(5,894)
Purchase	AUD/JPY, Put Option, Strike Price 74.475, May 2020	Citigroup	AUD	2,973,000	2,053,554	51,137	(16,889)
Purchase	AUD/JPY, Put Option, Strike Price 75.05, May 2020	Citigroup	AUD	1,205,000	838,761	22,780	(3,862)
Purchase	USD/MXN, Call Option, Strike Price 20.0014, Nov. 2019	Citigroup	USD	783,000	815,516	14,024	(3,554)
Purchase	USD/MXN, Call Option, Strike Price 20.50, Dec. 2019	Citigroup	USD	2,422,000	2,585,464	36,713	(32,557)
Purchase	USD/MXN, Call Option, Strike Price 20.50, May 2020	Citigroup	USD	4,383,000	4,678,815	160,659	(24,939)
Purchase	USD/MXN, Call Option, Strike Price 20.8674, May 2020	Citigroup	USD	2,943,000	3,197,932	91,954	(9,771)
Purchase	USD/MXN, Call Option, Strike Price 20.92, May 2020	Citigroup	USD	2,609,000	2,842,146	78,664	(4,915)
Purchase	USD/MXN, Put Option, Strike Price 18.2472, Oct. 2019	Citigroup	USD	1,211,000	1,150,670	3,020	(1,915)
Purchase	USD/MXN, Put Option, Strike Price 18.2796, Nov. 2019	Citigroup	USD	783,000	745,314	2,713	(1,468)
Purchase	USD/MXN, Put Option, Strike Price 18.3052, May 2020	Citigroup	USD	736,000	701,557	6,069	424
Purchase	AUD/USD, Call Option, Strike Price 0.7665, May 2020	HSBC	AUD	1,266,000	970,389	3,246	(3,063)
Purchase	AUD/USD, Call Option, Strike Price 0.7692, Apr. 2020	HSBC	AUD	1,004,000	772,277	2,306	(2,138)
Purchase	AUD/USD, Call Option, Strike Price 0.773, May 2020	HSBC	AUD	803,000	620,719	1,710	(1,834)
Purchase	AUD/USD, Put Option, Strike Price 0.6529, May 2020	HSBC	AUD	1,606,000	1,048,557	6,590	(7,360)
Purchase	AUD/USD, Put Option, Strike Price 0.653, May 2020	HSBC	AUD	3,374,000	2,203,222	8,822	(18,772)
Purchase	AUD/USD, Put Option, Strike Price 0.657, Apr. 2020	HSBC	AUD	2,678,000	1,759,446	11,813	(9,941)
Purchase	AUD/USD, Put Option, Strike Price 0.6645, May 2020	HSBC	AUD	1,339,000	889,766	7,245	(7,057)
Purchase	AUD/USD, Put Option, Strike Price 0.6755, May 2020	HSBC	AUD	1,674,000	1,130,787	11,802	(8,817)
Purchase	AUD/USD, Put Option, Strike Price 0.6766, May 2020	HSBC	AUD	803,000	543,310	5,864	(5,007)
Purchase	AUD/USD, Put Option, Strike Price 0.6795, Apr. 2020	HSBC	AUD	1,338,000	909,171	10,267	(6,821)
Purchase	USD/MXN, Call Option, Strike Price 20.11, Nov. 2019	JPMorgan	USD	2,942,000	3,080,812	51,026	(31,100)
Purchase	USD/MXN, Call Option, Strike Price 20.135, Dec. 2019	JPMorgan	USD	553,000	579,812	12,219	(3,327)
Purchase	USD/MXN, Call Option, Strike Price 20.252, Oct. 2019	JPMorgan	USD	2,213,000	2,333,780	25,554	(11,088)
Purchase	USD/MXN, Call Option, Strike Price 20.9283, May 2020	JPMorgan	USD	1,682,000	1,833,034	50,722	(8,385)
Purchase	USD/MXN, Call Option, Strike Price 21.922, Oct. 2019	JPMorgan	USD	1,106,000	1,262,542	3,353	(6,727)
Purchase	USD/MXN, Call Option, Strike Price 22.35, Nov. 2019	JPMorgan	USD	1,471,000	1,711,988	5,181	(8,245)
Purchase	USD/MXN, Put Option, Strike Price 18.8545, Dec. 2019	JPMorgan	USD	1,106,000	1,085,877	10,885	4,386

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Income Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Purchase	USD/MXN, Put Option, Strike Price 20.3405, Dec. 2019	JPMorgan	USD	1,106,000	1,171,460	54,496	20,243
Purchase	AUD/USD, Put Option, Strike Price 0.6743, Nov. 2019	Morgan Stanley	AUD	4,000	2,697	11	(24)
Sale	AUD/JPY, Call Option, Strike Price 77.28, Feb. 2020	Citigroup	AUD	(603,000)	432,200	(4,582)	5,308
Sale	AUD/JPY, Call Option, Strike Price 77.35, May 2020	Citigroup	AUD	(3,214,000)	2,305,722	(29,985)	33,756
Sale	AUD/JPY, Call option, Strike Price 78.18, Feb. 2020	Citigroup	AUD	(361,000)	261,760	(2,069)	2,652
Sale	AUD/JPY, Call Option, Strike Price 78.60, May 2020	Citigroup	AUD	(1,285,000)	936,756	(8,625)	12,394
Sale	AUD/JPY, Call Option, Strike Price 79.10, May 2020	Citigroup	AUD	(803,000)	589,105	(4,710)	7,870
Sale	AUD/JPY, Call Option, Strike Price 79.45, Feb. 2020	Citigroup	AUD	(542,000)	399,387	(2,046)	2,982
Sale	AUD/JPY, Call Option, Strike Price 79.77, Nov. 2019	Citigroup	AUD	(1,928,000)	1,426,420	(3,138)	11,608
Sale	AUD/JPY, Call Option, Strike Price 80.15, Nov. 2019	Citigroup	AUD	(803,000)	596,925	(1,093)	4,394
Sale	AUD/JPY, Call Option, Strike Price 80.32, Feb. 2020	Citigroup	AUD	(603,000)	449,202	(1,698)	2,696
Sale	AUD/JPY, Call Option, Strike Price 80.6, Nov. 2019	Citigroup	AUD	(1,606,000)	1,200,553	(1,809)	6,771
Sale	USD/MXN, Call Option, Strike Price 19.55, May 2020	Citigroup	USD	(1,461,000)	1,487,331	(84,696)	7,640
Sale	USD/MXN, Call Option, Strike Price 19.82, May 2020	Citigroup	USD	(1,044,000)	1,077,494	(53,317)	684
Sale	USD/MXN, Call Option, Strike Price 21.9, Dec. 2019	Citigroup	USD	(2,422,000)	2,762,033	(14,045)	16,666
Sale	USD/MXN, Call Option, Strike Price 22.55, May 2020	Citigroup	USD	(1,461,000)	1,715,566	(21,516)	4,460
Sale	USD/MXN, Call Option, Strike Price 22.8512, May 2020	Citigroup	USD	(1,471,000)	1,750,380	(19,580)	2,610
Sale	USD/MXN, Call Option, Strike Price 23.85, May 2020	Citigroup	USD	(1,044,000)	1,296,580	(9,486)	589
Sale	USD/MXN, Put Option, Strike Price 18.6616, Oct. 2019	Citigroup	USD	(1,210,000)	1,175,831	(6,559)	2,171
Sale	USD/MXN, Put Option, Strike Price 18.7438, Nov. 2019	Citigroup	USD	(1,565,000)	1,527,505	(11,542)	3,654
Sale	USD/MXN, Put Option, Strike Price 19.0625, Oct. 2019	Citigroup	USD	(908,000)	901,314	(9,975)	(2,198)
Sale	USD/MXN, Put Option, Strike Price 19.2441, May 2020	Citigroup	USD	(2,207,000)	2,211,620	(44,213)	(1,816)
Sale	USD/MXN, Put Option, Strike Price 19.55, May 2020	Citigroup	USD	(1,461,000)	1,487,331	(37,964)	(2,440)
Sale	USD/MXN, Put Option, Strike Price 19.69, May 2020	Citigroup	USD	(522,000)	535,213	(15,165)	(199)
Sale	AUD/USD, Call Option, Strike Price 0.7065, May 2020	HSBC	AUD	(1,266,000)	894,429	(18,879)	10,640
Sale	AUD/USD, Call Option, Strike Price 0.71, Apr. 2020	HSBC	AUD	(1,004,000)	712,840	(13,601)	8,174
Sale	AUD/USD, Call Option, Strike Price 0.7133, Nov. 2020	HSBC	AUD	(803,000)	572,780	(14,347)	7,971
Sale	AUD/USD, Call Option, Strike Price 0.775, May 2021	HSBC	AUD	(1,339,000)	1,037,725	(10,014)	7,012
Sale	AUD/USD, Call Option, Strike Price 0.7961, Nov. 2020	HSBC	AUD	(1,607,000)	1,279,333	(4,647)	3,993
Sale	AUD/USD, Call Option, Strike Price 0.80, May 2021	HSBC	AUD	(2,530,000)	2,024,000	(11,815)	8,240

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Income Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	AUD/USD, Call Option, Strike Price 0.8065, Apr. 2021	HSBC	AUD	(2,008,000)	1,619,452	(8,206)	5,240
Sale	USD/MXN, Call Option, Strike Price 19.182, Oct. 2019	JPMorgan	USD	(1,106,000)	1,104,739	(35,609)	5,334
Sale	USD/MXN, Call Option, Strike Price 21, Nov. 2019	JPMorgan	USD	(2,943,000)	3,218,253	(25,354)	27,976
Sale	USD/MXN, Call Option, Strike Price 22.482, Oct. 2019	JPMorgan	USD	(1,106,000)	1,294,794	(2,325)	1,236
Sale	USD/MXN, Call Option, Strike Price 23.7613, May 2020	JPMorgan	USD	(841,000)	1,040,583	(7,926)	1,556
Sale	USD/MXN, Put Option, Strike Price 19.182, Oct. 2019	JPMorgan	USD	(1,106,000)	1,104,739	(14,985)	2,685
Sale	USD/MXN, Put Option, Strike Price 19.355, Nov. 2019	JPMorgan	USD	(1,471,000)	1,482,574	(26,788)	1,424
Sale	USD/MXN, Put Option, Strike Price 19.364, Dec. 2019	JPMorgan	USD	(553,000)	557,610	(10,733)	602
Sale	USD/MXN, Put Option, Strike Price 19.4353, Nov. 2019	JPMorgan	USD	(841,000)	851,134	(17,122)	(525)
Sale	USD/MXN, Put Option, Strike Price 20.01, Dec. 2019	JPMorgan	USD	(2,212,000)	2,304,851	(82,968)	(34,264)
Sale	AUD/USD, Call Option, Strike Price 0.718, Nov. 2019	Morgan Stanley	AUD	(4,000)	2,872	(21)	9
						135,548	(87,530)

Templeton Global Total Return Fund

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Currency Option Purchase	AUD/JPY, Call Option, Strike Price 82.35, Feb. 2020	Citigroup	AUD	7,893,000	6,028,460	11,269	(21,641)
Purchase	AUD/JPY, Call Option, Strike Price 84, May 2020	Citigroup	AUD	35,080,000	27,329,994	54,666	(117,805)
Purchase	AUD/JPY, Call option, Strike Price 84.33, Nov. 2020	Citigroup	AUD	26,310,000	20,578,022	82,424	(93,266)
Purchase	AUD/JPY, Call Option, Strike Price 85.50, May 2020	Citigroup	AUD	140,322,000	111,273,706	151,689	(314,013)
Purchase	AUD/JPY, Call Option, Strike Price 86.63, May 2020	Citigroup	AUD	38,588,000	31,004,252	34,211	(60,746)
Purchase	AUD/JPY, Put Option, Strike Price 65.55, May 2020	Citigroup	AUD	70,161,000	42,654,921	286,484	(252,280)
Purchase	AUD/JPY, Put Option, Strike Price 66.78, Nov. 2020	Citigroup	AUD	13,155,000	8,147,755	122,039	(81,859)
Purchase	AUD/JPY, Put Option, Strike Price 69.18, Nov. 2020	Citigroup	AUD	7,893,000	5,064,346	98,754	(58,898)
Purchase	AUD/JPY, Put Option, Strike Price 69.54, May 2020	Citigroup	AUD	28,064,000	18,100,265	214,114	(112,420)
Purchase	AUD/JPY, Put Option, Strike Price 70.65, May 2020	Citigroup	AUD	17,540,000	11,493,239	160,305	(49,740)
Purchase	AUD/JPY, Put Option, Strike Price 72.78, Nov. 2020	Citigroup	AUD	32,888,000	22,199,858	650,002	(361,771)
Purchase	AUD/JPY, Put Option, Strike Price 73.25, May 2020	Citigroup	AUD	70,160,000	47,664,812	987,045	(513,120)
Purchase	AUD/JPY, Put Option, Strike Price 74, Nov. 2020	Citigroup	AUD	23,679,000	16,251,586	546,531	(257,492)
Purchase	AUD/JPY, Put Option, Strike Price 74.475, May 2020	Citigroup	AUD	129,797,000	89,655,273	2,232,584	(737,225)
Purchase	AUD/JPY, Put Option, Strike Price 75.05, May 2020	Citigroup	AUD	52,620,000	36,627,073	994,777	(168,662)

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Total Return Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Purchase	USD/MXN, Call Option, Strike Price 20.0014, Nov. 2019	Citigroup	USD	68,956,000	71,819,606	1,235,071	(312,991)
Purchase	USD/MXN, Call Option, Strike Price 20.50, Dec. 2019	Citigroup	USD	213,306,000	227,702,342	3,233,292	(2,867,259)
Purchase	USD/MXN, Call Option, Strike Price 20.50, May 2020	Citigroup	USD	386,156,000	412,218,247	14,154,548	(2,197,228)
Purchase	USD/MXN, Call Option, Strike Price 20.8674, May 2020	Citigroup	USD	259,282,000	281,741,792	8,101,266	(860,816)
Purchase	USD/MXN, Call Option, Strike Price 20.92, May 2020	Citigroup	USD	229,855,000	250,395,316	6,930,358	(433,047)
Purchase	USD/MXN, Put Option, Strike Price 18.2472, Oct. 2019	Citigroup	USD	106,653,000	101,339,760	265,993	(168,618)
Purchase	USD/MXN, Put Option, Strike Price 18.2796, Nov. 2019	Citigroup	USD	68,956,000	65,637,089	238,933	(129,292)
Purchase	USD/MXN, Put Option, Strike Price 18.3052, May 2020	Citigroup	USD	64,820,000	61,786,568	534,506	37,336
Purchase	AUD/USD, Call Option, Strike Price 0.7665, May 2020	HSBC	AUD	55,252,000	42,350,658	141,678	(133,693)
Purchase	AUD/USD, Call Option, Strike Price 0.7692, Apr. 2020	HSBC	AUD	43,850,000	33,729,420	100,714	(93,391)
Purchase	AUD/USD, Call Option, Strike Price 0.773, May 2020	HSBC	AUD	35,080,000	27,116,840	74,710	(80,111)
Purchase	AUD/USD, Put Option, Strike Price 0.6529, May 2020	HSBC	AUD	70,161,000	45,808,117	287,913	(321,550)
Purchase	AUD/USD, Put Option, Strike Price 0.653, May 2020	HSBC	AUD	147,338,000	96,211,714	385,254	(819,767)
Purchase	AUD/USD, Put Option, Strike Price 0.657, Apr. 2020	HSBC	AUD	116,934,000	76,825,638	515,802	(434,070)
Purchase	AUD/USD, Put Option, Strike Price 0.6645, May 2020	HSBC	AUD	58,467,000	38,851,322	316,343	(308,140)
Purchase	AUD/USD, Put Option, Strike Price 0.6755, May 2020	HSBC	AUD	73,084,000	49,368,242	515,270	(384,942)
Purchase	AUD/USD, Put Option, Strike Price 0.6766, May 2020	HSBC	AUD	35,080,000	23,735,128	256,168	(218,740)
Purchase	AUD/USD, Put Option, Strike Price 0.6795, Apr. 2020	HSBC	AUD	58,468,000	39,729,006	448,626	(298,047)
Purchase	USD/MXN, Call Option, Strike Price 20.11, Nov. 2019	JPMorgan	USD	259,282,000	271,515,734	4,496,986	(2,740,915)
Purchase	USD/MXN, Call Option, Strike Price 20.135, Dec. 2019	JPMorgan	USD	48,739,000	51,102,108	1,076,937	(293,258)
Purchase	USD/MXN, Call Option, Strike Price 20.252, Oct. 2019	JPMorgan	USD	194,958,000	205,598,312	2,251,180	(976,837)
Purchase	USD/MXN, Call Option, Strike Price 20.9283, May 2020	JPMorgan	USD	148,161,000	161,465,007	4,467,943	(738,620)
Purchase	USD/MXN, Call Option, Strike Price 21.922, Oct. 2019	JPMorgan	USD	97,479,000	111,276,076	295,556	(592,867)
Purchase	USD/MXN, Call Option, Strike Price 22.35, Nov. 2019	JPMorgan	USD	129,641,000	150,879,579	456,596	(726,638)
Purchase	USD/MXN, Put Option, Strike Price 18.8545, Dec. 2019	JPMorgan	USD	97,479,000	95,705,446	959,388	386,602
Purchase	USD/MXN, Put Option, Strike Price 20.3405, Dec. 2019	JPMorgan	USD	97,479,000	103,248,382	4,803,083	1,784,158
Purchase	AUD/USD, Put Option, Strike Price 0.6743, Nov. 2019	Morgan Stanley	AUD	145,000	97,774	413	(874)
Sale	AUD/JPY, Call Option, Strike Price 77.28, Feb. 2020	Citigroup	AUD	(26,311,000)	18,858,413	(199,945)	231,611
Sale	AUD/JPY, Call Option, Strike Price 77.35, May 2020	Citigroup	AUD	(140,322,000)	100,666,914	(1,309,151)	1,473,759
Sale	AUD/JPY, Call option, Strike Price 78.18, Feb. 2020	Citigroup	AUD	(15,786,000)	11,446,387	(90,487)	115,978

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Total Return Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	AUD/JPY, Call Option, Strike Price 78.60, May 2020	Citigroup	AUD	(56,128,000)	40,916,906	(376,734)	541,380
Sale	AUD/JPY, Call Option, Strike Price 79.10, May 2020	Citigroup	AUD	(35,080,000)	25,735,745	(205,762)	343,804
Sale	AUD/JPY, Call Option, Strike Price 79.45, Feb. 2020	Citigroup	AUD	(23,679,000)	17,448,493	(89,374)	130,289
Sale	AUD/JPY, Call Option, Strike Price 79.77, Nov. 2019	Citigroup	AUD	(84,193,000)	62,289,701	(137,051)	506,907
Sale	AUD/JPY, Call Option, Strike Price 80.15, Nov. 2019	Citigroup	AUD	(35,080,000)	26,077,370	(47,771)	191,963
Sale	AUD/JPY, Call Option, Strike Price 80.32, Feb. 2020	Citigroup	AUD	(26,310,000)	19,599,510	(74,076)	117,627
Sale	AUD/JPY, Call Option, Strike Price 80.6, Nov. 2019	Citigroup	AUD	(70,160,000)	52,447,561	(79,044)	295,794
Sale	USD/MXN, Call Option, Strike Price 19.55, May 2020	Citigroup	USD	(128,719,000)	131,038,823	(7,461,969)	673,072
Sale	USD/MXN, Call Option, Strike Price 19.82, May 2020	Citigroup	USD	(91,942,000)	94,891,686	(4,695,478)	60,222
Sale	USD/MXN, Call Option, Strike Price 21.9, Dec. 2019	Citigroup	USD	(213,306,000)	243,252,746	(1,236,961)	1,467,759
Sale	USD/MXN, Call Option, Strike Price 22.55, May 2020	Citigroup	USD	(128,719,000)	151,147,082	(1,895,645)	392,979
Sale	USD/MXN, Call Option, Strike Price 22.8512, May 2020	Citigroup	USD	(129,641,000)	154,263,062	(1,725,651)	229,983
Sale	USD/MXN, Call Option, Strike Price 23.85, May 2020	Citigroup	USD	(91,942,000)	114,186,009	(835,385)	51,855
Sale	USD/MXN, Put Option, Strike Price 18.6616, Oct. 2019	Citigroup	USD	(106,652,000)	103,640,248	(578,160)	191,334
Sale	USD/MXN, Put Option, Strike Price 18.7438, Nov. 2019	Citigroup	USD	(137,913,000)	134,608,787	(1,017,108)	322,027
Sale	USD/MXN, Put Option, Strike Price 19.0625, Oct. 2019	Citigroup	USD	(79,990,000)	79,401,027	(878,770)	(193,656)
Sale	USD/MXN, Put Option, Strike Price 19.2441, May 2020	Citigroup	USD	(194,461,000)	194,868,070	(3,895,637)	(160,041)
Sale	USD/MXN, Put Option, Strike Price 19.55, May 2020	Citigroup	USD	(128,719,000)	131,038,823	(3,344,763)	(214,961)
Sale	USD/MXN, Put Option, Strike Price 19.69, May 2020	Citigroup	USD	(45,971,000)	47,134,644	(1,335,504)	(17,515)
Sale	AUD/USD, Call Option, Strike Price 0.7065, May 2020	HSBC	AUD	(55,252,000)	39,035,538	(823,930)	464,342
Sale	AUD/USD, Call Option, Strike Price 0.71, Apr. 2020	HSBC	AUD	(43,850,000)	31,133,500	(594,033)	356,991
Sale	AUD/USD, Call Option, Strike Price 0.7133, Nov. 2020	HSBC	AUD	(35,080,000)	25,022,564	(626,790)	348,214
Sale	AUD/USD, Call Option, Strike Price 0.775, May 2021	HSBC	AUD	(58,467,000)	45,311,925	(437,250)	306,182
Sale	AUD/USD, Call Option, Strike Price 0.7961, Nov. 2020	HSBC	AUD	(70,161,000)	55,855,172	(202,908)	174,320
Sale	AUD/USD, Call Option, Strike Price 0.80, May 2021	HSBC	AUD	(110,503,000)	88,402,400	(516,057)	359,890
Sale	AUD/USD, Call Option, Strike Price 0.8065, Apr. 2021	HSBC	AUD	(87,700,000)	70,730,050	(358,408)	228,839
Sale	USD/MXN, Call Option, Strike Price 19.182, Oct. 2019	JPMorgan	USD	(97,479,000)	97,367,836	(3,138,434)	470,077
Sale	USD/MXN, Call Option, Strike Price 21, Nov. 2019	JPMorgan	USD	(259,282,000)	283,532,095	(2,233,714)	2,464,719
Sale	USD/MXN, Call Option, Strike Price 22.482, Oct. 2019	JPMorgan	USD	(97,479,000)	114,118,636	(204,901)	108,974
Sale	USD/MXN, Call Option, Strike Price 23.7613, May 2020	JPMorgan	USD	(74,080,000)	91,660,397	(698,204)	137,048

Notes to the Financial Statements (continued)

At June 30, 2019

Note 12 — Open positions on option contracts (continued)

As at June 30, 2019, the Company had entered into the following outstanding contracts:

Templeton Global Total Return Fund (continued)

Purchase/Sale position	Description	Counterparty	Trading currency	Number of contracts purchased/(sold)	Commitment USD	Market value USD	Unrealised profit/(loss) USD
Sale	USD/MXN, Put Option, Strike Price 19.182, Oct. 2019	JPMorgan	USD	(97,479,000)	97,367,836	(1,320,743)	236,677
Sale	USD/MXN, Put Option, Strike Price 19.355, Nov. 2019	JPMorgan	USD	(129,641,000)	130,661,040	(2,360,892)	125,454
Sale	USD/MXN, Put Option, Strike Price 19.364, Dec. 2019	JPMorgan	USD	(48,739,000)	49,145,330	(945,927)	53,018
Sale	USD/MXN, Put Option, Strike Price 19.4353, Nov. 2019	JPMorgan	USD	(74,080,000)	74,972,637	(1,508,195)	(46,226)
Sale	USD/MXN, Put Option, Strike Price 20.01, Dec. 2019	JPMorgan	USD	(194,958,000)	203,141,528	(7,312,485)	(3,019,899)
Sale	AUD/USD, Call Option, Strike Price 0.718, Nov. 2019	Morgan Stanley	AUD	(145,000)	104,110	(756)	311
						8,377,368	(7,603,452)

Note 13 — Mortgage dollar rolls

As at June 30, 2019, the Company had entered into the following outstanding mortgage dollar rolls:

Franklin Flexible Alpha Bond Fund

Nominal	Description	Country code	Trading currency	Market value USD	Unrealised profit/(loss) USD
Long position 13,720,000	FNMA, 3.50%, 07/01/48	USA	USD	14,023,341	(10,635)

Franklin Strategic Income Fund

Nominal	Description	Country code	Trading currency	Market value USD	Unrealised profit/(loss) USD
Long position 3,600,000	FNMA, 3.50%, 07/01/48	USA	USD	3,679,594	2,975
3,500,000	FNMA, 4.00%, 06/01/49	USA	USD	3,616,826	(4,556)
				7,296,420	(1,581)

Franklin U.S. Government Fund

Nominal	Description	Country code	Trading currency	Market value USD	Unrealised profit/(loss) USD
Long position 8,500,000	GNMA II, SF, 3.00%, 06/01/49	USA	USD	8,682,285	(5,578)

Note 14 — Securities lending

During the year, the Company participated in securities lending programmes through Goldman Sachs and JPMorgan as lending agents.

As at June 30, 2019, the market value of the securities on loan and the corresponding collateral received were as follows:

Fund	Fund currency	Lending Agent	Counterparty	Market value of securities on loan in Fund currency	Market value of sovereign bonds received as collateral in Fund currency
Franklin Biotechnology Discovery Fund	USD	Goldman Sachs	Barclays	1,495,000	1,515,579
			Citigroup	838,605	844,684
			Credit Suisse	720,200	730,035
			Deutsche Bank	133,061,299	135,892,082
			Goldman Sachs	1,068,200	1,076,357
			Merrill Lynch	471,528	469,931
			Morgan Stanley	4,542,200	4,834,430
			UBS	1,040,000	1,106,911
			143,237,032	146,470,009	

Notes to the Financial Statements (continued)

At June 30, 2019

Note 14 — Securities lending (continued)

Fund	Fund currency	Lending Agent	Counterparty	Market value of securities on loan in Fund currency	Market value of sovereign bonds received as collateral in Fund currency
Franklin European Dividend Fund	EUR	JPMorgan	Morgan Stanley UBS	834,269 156,800	999,528 187,042
				991,069	1,186,570
Franklin European Growth Fund	EUR	JPMorgan	JPMorgan Merrill Lynch UBS	419,200 1,911,667 9,247,120	498,302 2,296,847 10,912,099
				11,577,987	13,707,248
Franklin Natural Resources Fund	USD	Goldman Sachs	Barclays	433,836	462,263
Franklin Select U.S. Equity Fund	USD	Goldman Sachs	Deutsche Bank	255,936	266,854
Franklin Technology Fund	USD	Goldman Sachs	Barclays Deutsche Bank Goldman Sachs	2,812,388 27,209,696 3,515,485	2,933,237 28,307,061 3,667,028
				33,537,569	34,907,326
Franklin U.S. Opportunities Fund	USD	Goldman Sachs	Citigroup Deutsche Bank UBS	9,972,296 9,829,445 2,426,505	10,889,055 10,068,831 2,525,607
				22,228,246	23,483,493
Templeton Asian Smaller Companies Fund	USD	JPMorgan	JPMorgan Merrill Lynch Morgan Stanley UBS	29,247,823 8,040,946 149,721 13,766,013	30,629,895 8,534,882 158,337 14,494,809
				51,204,503	53,817,923
Templeton Emerging Markets Smaller Companies Fund	USD	JPMorgan	JPMorgan Merrill Lynch Morgan Stanley UBS	11,529,228 3,010,914 1,111,698 3,214,754	12,072,194 3,195,867 1,175,676 3,384,948
				18,866,594	19,828,685
Templeton Global Fund	USD	JPMorgan	Morgan Stanley	6,006,206	6,207,927
Templeton Global Smaller Companies Fund	USD	JPMorgan	Merrill Lynch	310,509	332,676

During the year, the securities lending programmes generated the following revenues and expenses:

	Fund currency	Lending Agent	Gross earnings in Fund currency	Direct and indirect operational costs and fees in Fund currency	Net earnings in Fund currency
Franklin Biotechnology Discovery Fund	USD	Goldman Sachs	124,303	9,944	114,359
Franklin European Dividend Fund	EUR	JPMorgan	26,573	2,126	24,447
Franklin European Growth Fund	EUR	JPMorgan	609,644	48,772	560,872
Franklin European Small-Mid Cap Fund	EUR	JPMorgan	17,858	1,429	16,429
Franklin Global Fundamental Strategies Fund	USD	JPMorgan	150,435	12,035	138,400
Franklin Income Fund	USD	JPMorgan	21,266	1,701	19,565
Franklin Natural Resources Fund	USD	Goldman Sachs	23,462	1,877	21,585
Franklin Select U.S. Equity Fund	USD	Goldman Sachs	219	17	202
Franklin Technology Fund	USD	Goldman Sachs	83,148	6,652	76,496
Franklin U.S. Opportunities Fund	USD	Goldman Sachs	368,466	29,477	338,989
Franklin World Perspectives Fund	USD	JPMorgan	84,787	6,783	78,004
Franklin Mutual European Fund	EUR	JPMorgan	466,402	37,312	429,090
Franklin Mutual Global Discovery Fund	USD	JPMorgan	221,266	17,701	203,565
Franklin Mutual U.S. Value Fund	USD	JPMorgan	38,765	3,101	35,664
Templeton Asian Growth Fund	USD	JPMorgan	68,004	5,440	62,564
Templeton Asian Smaller Companies Fund	USD	JPMorgan	733,240	69,944	663,296
Templeton Emerging Markets Smaller Companies Fund	USD	JPMorgan	299,474	29,428	270,046
Templeton Euroland Fund	EUR	JPMorgan	205,335	16,427	188,908

Notes to the Financial Statements (continued)

At June 30, 2019

Note 14 — Securities lending (continued)

	Fund currency	Lending Agent	Gross earnings in Fund currency	Direct and indirect operational costs and fees in Fund currency	Net earnings in Fund currency
Templeton Global Fund	USD	JPMorgan	89,347	7,148	82,199
Templeton Global Climate Change Fund	EUR	JPMorgan	254,799	20,384	234,415
Templeton Global Equity Income Fund	USD	JPMorgan	5,246	420	4,826
Templeton Global Income Fund	USD	JPMorgan	88,824	7,106	81,718
Templeton Global Smaller Companies Fund	USD	JPMorgan	100,819	8,069	92,750
Templeton Growth (Euro) Fund	EUR	JPMorgan	857,463	68,597	788,866

Note 15 — Investment management fees

The Management Company receives from the Company a monthly investment management fee equivalent to a certain percentage per annum (as detailed below) of each Fund's average daily net assets during the accounting period. When Funds invest in other Franklin Templeton funds, a management fee is not applied to the amounts invested. The following percentages apply in respect of the different Funds as at June 30, 2019.

The Investment Managers will be remunerated by the Management Company out of the investment management fee received from the Company.

No management fee is payable by an investor on the acquisition of Class X and Class Y shares, instead a fee is paid to the Investment Manager or affiliates under a separate agreement.

	Class A PF	Class I	Class I PF	Class S	Class W	Other Classes except Class X and Class Y
Franklin Asia Credit Fund		0.55%				0.75%
Franklin Biotechnology Discovery Fund		0.70%			0.70%	1.00%
Franklin Brazil Opportunities Fund		0.70%				1.00%
Franklin Diversified Balanced Fund		0.55%			0.55%	0.85%
Franklin Diversified Conservative Fund		0.50%			0.50%	0.80%
Franklin Diversified Dynamic Fund		0.60%			0.60%	0.90%
Franklin Emerging Markets Debt Opportunities Hard Currency Fund		0.70%			0.70%	
Franklin Euro Government Bond Fund		0.30%				0.35%
Franklin Euro High Yield Fund		0.60%			0.60%	0.80%
Franklin Euro Short Duration Bond Fund		0.25%			0.25%	0.30%
Franklin Euro Short-Term Money Market Fund		0.20%				0.25%
Franklin European Corporate Bond Fund		0.40%			0.40%	0.45%
Franklin European Dividend Fund		0.70%			0.70%	1.00%
Franklin European Growth Fund		0.70%			0.70%	1.00%
Franklin European Income Fund		0.60%			0.60%	0.85%
Franklin European Small-Mid Cap Fund		0.70%			0.70%	1.00%
Franklin European Total Return Fund		0.35%			0.35%	0.40%
Franklin Flexible Alpha Bond Fund		0.55%			0.55%	0.75%
Franklin GCC Bond Fund		0.55%			0.55%	0.75%
Franklin Global Aggregate Bond Fund		0.40%			0.40%	0.65%
Franklin Global Aggregate Investment Grade Bond Fund		0.40%				0.65%
Franklin Global Convertible Securities Fund		0.60%			0.60%	0.75%
Franklin Global Corporate Investment Grade Bond Fund				0.40%		
Franklin Global Fundamental Strategies Fund		0.70%			0.70%	1.00%
Franklin Global Listed Infrastructure Fund		0.70%			0.70%	1.00%
Franklin Global Multi-Asset Income Fund		0.60%			0.60%	0.85%
Franklin Global Real Estate Fund		0.70%			0.70%	1.00%
Franklin Global Small-Mid Cap Fund		0.70%			0.70%	1.00%
Franklin Gold and Precious Metals Fund		0.70%				1.00%
Franklin High Yield Fund		0.60%			0.60%	0.80%
Franklin Income Fund		0.60%			0.60%	0.85%
Franklin India Fund		0.70%		up to 0.70%	0.70%	1.00%
Franklin Japan Fund		0.70%			0.70%	1.00%
Franklin K2 Alternative Strategies Fund	1.30%	1.75%	1.20%	up to 1.70%	1.75%	2.05%
Franklin K2 Global Macro Opportunities Fund		1.75%			1.75%	2.05%
Franklin K2 Long Short Credit Fund	1.30%	1.75%	1.20%		1.75%	2.05%
Franklin MENA Fund		1.05%			1.05%	1.50%
Franklin Natural Resources Fund		0.70%				1.00%
Franklin NextStep Balanced Growth Fund						0.85%
Franklin NextStep Conservative Fund					0.60%	0.80%
Franklin NextStep Dynamic Growth Fund						0.85%
Franklin NextStep Growth Fund					0.70%	1.00%
Franklin NextStep Moderate Fund					0.65%	0.95%
Franklin NextStep Stable Growth Fund						0.80%

Notes to the Financial Statements (continued)

At June 30, 2019

Note 15 — Investment management fees (continued)

	Class A PF	Class I	Class I PF	Class S	Class W	Other Classes except Class X and Class Y
Franklin Select U.S. Equity Fund		0.70%			0.70%	1.00%
Franklin Strategic Income Fund		0.55%			0.55%	0.75%
Franklin Technology Fund		0.70%			0.70%	1.00%
Franklin U.S. Dollar Short-Term Money Market Fund					0.20%	0.30%
Franklin U.S. Government Fund		0.40%			0.40%	0.65%
Franklin U.S. Low Duration Fund		0.40%			0.40%	0.65%
Franklin U.S. Opportunities Fund		0.70%		up to 0.60%	0.70%	1.00%
Franklin World Perspectives Fund		0.70%			0.70%	1.00%
Franklin Mutual European Fund		0.70%			0.70%	1.00%
Franklin Mutual Global Discovery Fund		0.70%			0.70%	1.00%
Franklin Mutual U.S. Value Fund		0.70%			0.70%	1.00%
Templeton Africa Fund		1.10%			1.10%	1.60%
Templeton Asian Bond Fund		0.55%			0.55%	0.75%
Templeton Asian Growth Fund		0.90%			0.90%	1.35%
Templeton Asian Smaller Companies Fund		0.90%			0.90%	1.35%
Templeton BRIC Fund		1.10%				1.60%
Templeton China Fund		1.10%			1.10%	1.60%
Templeton Eastern Europe Fund		1.10%			1.10%	1.60%
Templeton Emerging Markets Fund		1.00%			1.00%	1.15%
Templeton Emerging Markets Balanced Fund		0.90%				1.30%
Templeton Emerging Markets Bond Fund		0.70%		up to 0.70%	0.70%	1.00%
Templeton Emerging Markets Local Currency Bond Fund		0.70%			0.70%	1.00%
Templeton Emerging Markets Smaller Companies Fund		1.10%			1.10%	1.60%
Templeton Euroland Fund		0.70%			0.70%	1.00%
Templeton European Fund		0.70%			0.70%	1.00%
Templeton Frontier Markets Fund		1.10%			1.10%	1.60%
Templeton Global Fund		0.70%			0.70%	1.00%
Templeton Global Balanced Fund		0.60%			0.60%	0.80%
Templeton Global Bond Fund		0.55%		up to 0.55%	0.55%	0.75%
Templeton Global Bond (Euro) Fund		0.55%			0.55%	0.75%
Templeton Global Climate Change Fund		0.70%			0.70%	1.00%
Templeton Global Currency Fund		0.55%			0.55%	0.75%
Templeton Global Equity Income Fund						1.00%
Templeton Global High Yield Fund		0.60%				0.85%
Templeton Global Income Fund		0.60%		up to 0.60%	0.60%	0.85%
Templeton Global Smaller Companies Fund		0.70%				1.00%
Templeton Global Total Return Fund		0.55%		up to 0.55%	0.55%	0.75%
Templeton Growth (Euro) Fund		0.70%			0.70%	1.00%
Templeton Latin America Fund		1.00%			1.00%	1.40%
Templeton Thailand Fund					1.10%	1.60%

Note 16 — Performance fees

The Management Company may be entitled to receive from the net assets attributable to a Share Class an annual performance-based incentive fee (the "Performance Fee") which, if applicable, will be calculated and accrued daily and payable as of the end of each fiscal year.

The Performance Fee becomes due in the event of outperformance, that is, if the increase in the NAV during the relevant Performance Period (after deduction of any subscription and/or redemption fees levied) exceeds (i) the increase in the Target Benchmark over the same period and (ii) the applicable High Water Mark point as defined in the Prospectus.

If Shareholders redeem all or part of their Shares before the end of a Performance Period, any accrued Performance Fee with respect to such Shares will crystallise on that Dealing Day and will then become payable.

The following performance fees apply in respect of the PF shares as at June 30, 2019.

	Performance fees	Target benchmark
Franklin K2 Alternative Strategies Fund		
A PF (acc) EUR-H1	15%	3-month EUR LIBOR
A PF (Ydis) EUR-H1	15%	3-month EUR LIBOR
I PF (acc) EUR-H1	15%	3-month EUR LIBOR
I PF (Ydis) EUR-H1	15%	3-month EUR LIBOR
Franklin K2 Long Short Credit Fund		
A PF (acc) EUR-H1	15%	3-month EUR LIBOR
I PF (acc) EUR-H1	15%	3-month EUR LIBOR

Notes to the Financial Statements (continued)

At June 30, 2019

Note 17 — Soft commission

Consistent with obtaining best execution, brokerage commissions on portfolio transactions for the Company may be directed by the Investment Managers to broker-dealers in recognition of research services furnished by them as well as for services rendered in the execution of orders by such broker-dealers.

The receipt of investment research and information and related services permits the Investment Managers to supplement their own research and analysis and makes available to them the views and information of individuals and research staffs of other firms.

Such related services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payment.

Note 18 — Connected party transactions

Certain Directors of the Company are or may also be Officers and/or Directors of one or more of the various Investment Managers of the Funds, among others, Franklin Templeton Investimentos (Brasil) Ltda., Franklin Templeton Investments (Asia) Limited, Templeton Investment Counsel, LLC and Franklin Templeton Institutional, LLC. All transactions with connected parties were entered into in the ordinary course of business and under normal commercial terms.

The investment management fees that are accrued by the Company in respect of the Management Company are detailed in note 15 to the financial statements.

There are no connected brokers in Franklin Templeton, and no transactions were entered into with connected brokers during the year ended June 30, 2019.

During the year ended June 30, 2019, the Company accrued administration and transfer agency fees and shares' maintenance and service charges in respect of Franklin Templeton International Services S.à r.l. as Management Company and Principal Distributor of the Funds.

Note 19 — Taxation

Under current tax laws and practice, the Company is not liable in the Grand Duchy of Luxembourg to any taxes on income or on realised or unrealised capital gains.

The Company is liable in the Grand Duchy of Luxembourg to a tax of 0.05% per annum, such tax being paid quarterly, and calculated on the net asset value of each Fund at the end of each relevant quarter (except the Franklin Euro Short-Term Money Market Fund and the Franklin U.S. Dollar Short-Term Money Market Fund for which the rate is 0.01%). This tax is not applicable for the portion of the assets of a Fund invested in other undertakings for collective investment that have already been subject to such tax. Class I shares, Class X shares and Class Y shares may benefit from a reduced rate of 0.01% per annum if all shareholders of these share classes are institutional investors.

Investment income received or capital gains realised by the Company may be subject to tax in the countries of origin. All liabilities in respect of taxes payable on unrealised capital gains on investments are provided for as soon as there is a reasonable certainty that a liability will crystallise.

No stamp duty or other tax is payable in the Grand Duchy of Luxembourg on the issue of shares in the Company.

The Company is registered for Value Added Tax in the Grand Duchy of Luxembourg and subject to account for Value Added Tax in accordance with current laws.

Note 20 — Share classes

Class A shares: are offered at the applicable net asset value, plus an entry charge of up to 5.75% of the total amount invested varying per asset class. In addition, a maintenance charge of up to 0.50% per annum of the applicable average net asset value is deducted and paid to the Principal Distributor. This charge is accrued daily and is deducted and paid monthly to the Principal Distributor. A contingent deferred sales charge of up to 1%, retained by the Principal Distributor, applies to certain redemptions on qualified investments of USD 1 million or more within 18 months after repurchase.

Class AS shares: are offered in Singapore to CPF Investors as more fully described in the current prospectus of the Company. Class AS shares are offered at the applicable net asset value, plus an entry charge of up to 3% of the total amount invested. In addition, a maintenance charge of up to 0.40% per annum of the applicable average net asset value is deducted and paid to the Principal Distributor. This charge is accrued daily and is deducted and paid monthly to the Principal Distributor.

Class AX shares: are offered at the applicable net asset value, plus an entry charge of up to 5.75% of the total amount invested varying per asset class. In addition, a maintenance charge of up to 0.50% per annum of the applicable average net asset value is deducted and paid to the Principal Distributor. This charge is accrued daily and is deducted and paid monthly to the Principal Distributor. A contingent deferred sales charge of up to 1% applies to certain redemptions on qualified investments of USD 1 million or more within 18 months after repurchase.

Class B shares: As from April 1, 2016, no additional Class B Shares are issued. Class B Shares purchased by an Investor prior to April 1, 2016 are subject to a contingent deferred sales charge up to 4% if such investor sells shares within 4 years of purchase. In addition, a maintenance charge of up to 0.75% per annum of the applicable average net asset value and a servicing charge of 1.06% per annum of the applicable average net asset value are applied. These charges are accrued daily and are deducted and paid monthly to the Principal Distributor and/or other parties. Starting from 2011, shares will be automatically converted into Class A shares of the same Fund 7 years after their purchase as more fully disclosed in the prospectus.

Class C shares: are not subject to an entry charge but are subject to a contingent deferred sales charge of 1.00% if an investor redeems shares within one year of purchase. In addition, a maintenance charge of 1.08% per annum of the applicable average net asset value is deducted. These charges are accrued daily and are deducted and paid monthly to the Principal Distributor and/or other party.

Class F shares: are not subject to an entry charge but are subject to a contingent deferred sales charge of up to 3% if an investor redeems shares within three years of purchase. In addition, a maintenance charge of up to 0.50% per annum of the applicable average net asset value and a servicing charge of 1.00% per annum of the applicable average net asset value are applied. These charges are accrued daily and are

Notes to the Financial Statements (continued)

At June 30, 2019

Note 20 — Share classes (continued)

deducted and paid monthly to the Principal Distributor and/or other parties. Class F shares will be automatically converted into Class A shares of the same Fund free of charge on the monthly scheduled conversion date fixed by the Management Company upon or following the expiry of 36 months after the date of their purchase.

Class G shares: are not subject to an entry charge but are subject to a contingent deferred sales charge of up to 3% if an investor redeems shares within three years of purchase. In addition, a maintenance charge of 0.10% per annum of the applicable average net asset value and a servicing charge of 1.00% per annum of the applicable average net asset value are applied. These charges are accrued daily and are deducted and paid monthly to the Principal Distributor and/or other parties. Class G shares will be automatically converted into Class A shares of the same Fund free of charge on the monthly scheduled conversion date fixed by the Management Company upon or following the expiry of 36 months after the date of their purchase.

Class I shares: are offered to institutional investors as more fully described in the current prospectus of the Company. Purchases of Class I shares are not subject to an entry sales charge, nor a contingent deferred sales charge or any maintenance or servicing charges.

Class N shares: are subject to an entry charge of up to 3% of the total amount invested. In addition, a maintenance charge of up to 1.25% per annum of the applicable average net asset value is accrued daily and is deducted and paid monthly to the Principal Distributor. Class N shares may be offered in certain limited circumstances as more fully described in the current prospectus of the Company.

Class S shares: are not subject to an entry charge, contingent deferred sales charge nor any maintenance or servicing charge. Class S shares may be offered in certain limited circumstances as more fully described in the current prospectus of the Company.

Class W shares: are not subject to an entry charge, contingent deferred sales charge nor any maintenance or servicing charge. Class W shares may be offered in certain limited circumstances as more fully described in the current prospectus of the Company.

Class X shares: are not subject to an entry charge and no management fees will be payable by an investor on the acquisition of Class X shares (instead a fee is paid to the Investment Manager or affiliates under an agreement between the Investment Manager and the investor). Class X shares are offered to institutional investors in certain limited circumstances as more fully described in the current prospectus of the Company.

Class Y shares: are not subject to an entry charge and no management, registrar, transfer, corporate, domiciliary or administration fees will be payable by an investor on the acquisition of Class Y shares (instead a fee is paid to the Investment Manager or affiliates under an agreement between the Investment Manager and the investor). Class Y shares are offered to institutional investors in certain limited circumstances as more fully described in the current prospectus of the Company.

Class Z shares: are not subject to an entry charge, contingent deferred sales charge nor any maintenance or servicing charge. Class Z shares may be offered in certain limited circumstances as more fully described in the current prospectus of the Company.

Distributing shares: may have different frequencies. (Mdis) share classes distribute monthly, (Qdis) share classes distribute quarterly and (Ydis) share classes distribute annually.

Accumulating shares (acc): do not distribute any dividends but the income attributable is reflected in the increased value of the shares. All other terms and conditions are the same as those which apply to distributing share classes.

Performance fee classes: are classes that are subject to performance fees and are denoted by the inclusion of "PF" in their names.

Hedged share classes: In respect of hedged share classes, the Company offers the following alternatives:

- H1: in order to reduce exchange rate fluctuations and return fluctuations, the base currency exposure of the hedged share class is hedged into a specified alternative currency.
- H2: a hedging strategy is applied in order to reduce the risk of currency movements between the currency of the hedged share class and other material currencies of the securities held by the Fund.
- H4: where currency controls imposed by a country's monetary authority prevent free movement of currency ("Restricted Currency"), another hedging methodology is used. The share class is denominated in the base currency of the Fund but hedges the Fund's base currency into a specified Restricted Currency for investors in that Restricted Currency.

Note 21 — Expenses reimbursement

On a daily basis, for share classes where the expenses are capped, the level of expenses is calculated and compared to the cap and where the level of expenses is higher than the cap, this difference is booked as a decrease of expense (the "waiver fees"). The performance fees do not form part of the capped expenses. On a monthly basis the waiver fees are deducted from the fees received by Franklin Templeton International Services S.à r.l.

The amount of waiver fees is disclosed as "Expenses reimbursement" in the "Statement of Operations and Changes in Net Assets".

Note 22 — Statement of changes in the investment portfolio

A list, specifying for each Fund total purchases and sales transacted during the year under review, may be obtained, upon request, at the registered office of the Company.

Note 23 — Transaction costs

Transaction costs are costs incurred to acquire and dispose of financial assets or liabilities. They include fees and commissions paid to agents, brokers and dealers. During the year ended June 30, 2019 the Company incurred the following transaction costs:

Fund	Currency	Amount
Franklin Asia Credit Fund	USD	—
Franklin Biotechnology Discovery Fund	USD	1,270,977
Franklin Brazil Opportunities Fund	USD	11,739
Franklin Diversified Balanced Fund	EUR	135,567

Notes to the Financial Statements (continued)

At June 30, 2019

Note 23 — Transaction costs (continued)

Fund	Currency	Amount
Franklin Diversified Conservative Fund	EUR	98,450
Franklin Diversified Dynamic Fund	EUR	94,771
Franklin Emerging Markets Debt Opportunities Hard Currency Fund	USD	—*
Franklin Euro Government Bond Fund	EUR	1,734
Franklin Euro High Yield Fund	EUR	6,129
Franklin Euro Short Duration Bond Fund	EUR	6,848
Franklin Euro Short-Term Money Market Fund	EUR	—*
Franklin European Corporate Bond Fund	EUR	587
Franklin European Dividend Fund	EUR	52,273
Franklin European Growth Fund	EUR	172,664
Franklin European Income Fund	EUR	2,468
Franklin European Small-Mid Cap Fund	EUR	218,200
Franklin European Total Return Fund	EUR	18,307
Franklin Flexible Alpha Bond Fund	USD	30,289
Franklin GCC Bond Fund	USD	—*
Franklin Global Aggregate Bond Fund	USD	—*
Franklin Global Aggregate Investment Grade Bond Fund	USD	—*
Franklin Global Convertible Securities Fund	USD	14,336
Franklin Global Corporate Investment Grade Bond Fund	USD	—*
Franklin Global Fundamental Strategies Fund	USD	442,666
Franklin Global Listed Infrastructure Fund	USD	94,357
Franklin Global Multi-Asset Income Fund	EUR	136,476
Franklin Global Real Estate Fund	USD	96,690
Franklin Global Small-Mid Cap Fund	USD	48,152
Franklin Gold and Precious Metals Fund	USD	282,023
Franklin High Yield Fund	USD	—*
Franklin Income Fund	USD	384,978
Franklin India Fund	USD	3,956,771
Franklin Japan Fund	JPY	88,276,042
Franklin K2 Alternative Strategies Fund	USD	2,674,145
Franklin K2 Global Macro Opportunities Fund	USD	11,466
Franklin K2 Long Short Credit Fund	USD	36,577
Franklin MENA Fund	USD	384,280
Franklin Natural Resources Fund	USD	301,733
Franklin NextStep Balanced Growth Fund	USD	67,643
Franklin NextStep Conservative Fund	USD	16,108
Franklin NextStep Dynamic Growth Fund	USD	17,653
Franklin NextStep Growth Fund	USD	8,561
Franklin NextStep Moderate Fund	USD	22,789
Franklin NextStep Stable Growth Fund	USD	8,606
Franklin Select U.S. Equity Fund	USD	16,263
Franklin Strategic Income Fund	USD	14,546
Franklin Technology Fund	USD	1,070,815
Franklin U.S. Dollar Short-Term Money Market Fund	USD	—*
Franklin U.S. Government Fund	USD	—*
Franklin U.S. Low Duration Fund	USD	19,568
Franklin U.S. Opportunities Fund	USD	778,654
Franklin World Perspectives Fund	USD	118,417
Franklin Mutual European Fund	EUR	634,407
Franklin Mutual Global Discovery Fund	USD	192,248
Franklin Mutual U.S. Value Fund	USD	82,751
Templeton Africa Fund	USD	327,544
Templeton Asian Bond Fund	USD	—*
Templeton Asian Growth Fund	USD	4,195,108
Templeton Asian Smaller Companies Fund	USD	752,806
Templeton BRIC Fund	USD	194,100
Templeton China Fund	USD	116,543
Templeton Eastern Europe Fund	EUR	199,074
Templeton Emerging Markets Fund	USD	243,839
Templeton Emerging Markets Balanced Fund	USD	20,785
Templeton Emerging Markets Bond Fund	USD	—*
Templeton Emerging Markets Local Currency Bond Fund	USD	—*
Templeton Emerging Markets Smaller Companies Fund	USD	371,034
Templeton Euroland Fund	EUR	245,259
Templeton European Fund	EUR	23,062
Templeton Frontier Markets Fund	USD	1,966,250
Templeton Global Fund	USD	829,469

Notes to the Financial Statements (continued)

At June 30, 2019

Note 23 — Transaction costs (continued)

Fund	Currency	Amount
Templeton Global Balanced Fund	USD	145,798
Templeton Global Bond Fund	USD	—
Templeton Global Bond (Euro) Fund	EUR	—
Templeton Global Climate Change Fund	EUR	196,548
Templeton Global Currency Fund	USD	—
Templeton Global Equity Income Fund	USD	21,216
Templeton Global High Yield Fund	USD	25
Templeton Global Income Fund	USD	413,773
Templeton Global Smaller Companies Fund	USD	42,695
Templeton Global Total Return Fund	USD	—
Templeton Growth (Euro) Fund	EUR	2,646,455
Templeton Latin America Fund	USD	540,626
Templeton Thailand Fund	USD	275,446

**For debt securities and derivatives, transaction costs are not separately identifiable from the purchase price of the security and therefore cannot be disclosed separately.*

Note 24 — Equalisation

The Funds use an accounting practice known as equalisation, by which a portion of the proceeds from issue and costs of redemption of shares, equivalent on a per share basis to the amount of undistributed investment income on the date of the transaction, is credited or charged to undistributed income which is disclosed as equalisation in the "Statement of Operations and Changes in Net Assets". As a result, undistributed investment income per share is unaffected by issue or redemptions of shares.

Note 25 — Portfolio Turnover Ratio

The portfolio turnover ratio, expressed as a percentage, is equal to the total of purchases and sales of securities netted against the total value of subscriptions and redemptions, over average net assets of the Fund for the year. It is effectively a measure of how frequently a Fund buys or sells securities.

The portfolio turnover ratio calculation is not applicable to Liquid Reserve and Money Market Funds, as such a ratio is not relevant to such Funds due to the short-term nature of the investments.

Note 26 — Total Expense Ratio

The Total Expense Ratio ("TER"), expressed as a percentage, represents how the total expenses of the Funds relate to the average net assets of the Funds for the year ended June 30, 2019. The total expenses comprise the investment management fees, the administration and transfer agency fees, the custodian fees and other expenses as summarised in the "Statement of Operations and Changes in Net Assets".

For share classes launched during the year, the TER is annualised.

Note 27 — Audited annual reports and unaudited semi-annual reports

The audited annual reports and unaudited semi-annual reports are available on the following Franklin Templeton website, www.franklintempleton.lu, or may be obtained, free of charge, on request at the registered office of the Company. They are only distributed to registered Shareholders in those countries where local regulation so requires.

Note 28 — Global Credit Facility

Effective February 9, 2019, the Company, together with other European and U.S. registered investment funds managed by Franklin Templeton (individually, "Borrower"; collectively "Borrowers"), entered into a joint syndicated senior unsecured credit facility totaling USD 2,000 million (Global Credit Facility) to provide a source of funds to the Borrowers for temporary and emergency purposes, including the ability to meet future unanticipated or unusually large redemption requests.

Under the terms of the Global Credit Facility, the Company will, in addition to interest charged on any borrowings made by the Company and other costs incurred by the Company, pay its share of fees and expenses incurred in connection with the implementation and maintenance of the Global Credit Facility, based upon its relative share of the aggregate net assets of all of the Borrowers, including an annual commitment fee based upon the unused portion of the Global Credit Facility.

During the financial year ended June 30, 2019, the Company did not use the Global Credit Facility.

Notes to the Financial Statements (continued)

At June 30, 2019

Note 29 — Abbreviations

Countries

AGO Angola	DOM Dominican Republic	JPN Japan	PRY Paraguay
ARE United Arab Emirates	ECU Ecuador	KAZ Kazakhstan	QAT Qatar
ARG Argentina	EGY Egypt	KEN Kenya	ROU Romania
ARM Armenia	ESP Spain	KHM Cambodia	RUS Russia
AUS Australia	EST Estonia	KOR South Korea	SAU Saudi Arabia
AUT Austria	ETH Ethiopia	KWT Kuwait	SEN Senegal
AZE Azerbaijan	FIN Finland	LCA Saint Lucia	SGP Singapore
BEL Belgium	FRA France	LKA Sri Lanka	SLV El Salvador
BGD Bangladesh	GAB Gabon	LTU Lithuania	SP Supranational
BHR Bahrain	GBR United Kingdom	LUX Luxembourg	SUR Suriname
BHS Bahamas	GEO Georgia	LVA Latvia	SVK Slovakia
BIH Bosnia and Herzegovina	GHA Ghana	MAC Macao	SVN Slovenia
BLR Belarus	GRC Greece	MAR Morocco	SWE Sweden
BMU Bermuda	GRD Grenada	MDA Moldova	THA Thailand
BRA Brazil	HKG Hong Kong	MEX Mexico	TTO Trinidad And Tobago
CAN Canada	HND Honduras	MYS Malaysia	TUN Tunisia
CHE Switzerland	HUN Hungary	NGA Nigeria	TUR Turkey
CHL Chile	IDN Indonesia	NLD Netherlands	TWN Taiwan
CHN China	IND India	NOR Norway	TZA Tanzania
CIV Ivory Coast	IRL Ireland	NZL New Zealand	UKR Ukraine
CMR Cameroon	IRQ Iraq	OMN Oman	URY Uruguay
COL Colombia	ISL Iceland	PAK Pakistan	USA United States
CRI Costa Rica	ISR Israel	PAN Panama	VEN Venezuela
CYM Cayman Islands	ITA Italy	PER Peru	VNM Vietnam
CZE Czech Republic	JAM Jamaica	PHL Philippines	ZAF South Africa
DEU Germany	JEY Jersey	POL Poland	ZMB Zambia
DNK Denmark	JOR Jordan	PRT Portugal	

Currencies

AED United Arab Emirates Dirham	DOP Dominican Republic Peso	MXN Mexican Peso	SGD Singapore Dollar
ARS Argentine Peso	EGP Egyptian Pound	MYR Malaysian Ringgit	THB Thai Baht
AUD Australian Dollar	EUR Euro	NGN Nigerian Naira	TRY Turkish Lira
BDT Bangladeshi Taka	GBP British Pound Sterling	NOK Norwegian Krone	TWD New Taiwan Dollar
BRL Brazilian Real	GHS Ghanaian Cedi	NZD New Zealand Dollar	UAH Ukrainian Hryvna
CAD Canadian Dollar	HKD Hong Kong Dollar	PEN Peruvian Nuevo Sol	USD US Dollar
CHF Swiss Franc	HUF Hungarian Forint	PHP Philippine Peso	UYU Uruguayan Peso
CLP Chilean Peso	IDR Indonesian Rupiah	PKR Pakistan Rupee	VND Vietnamese Dong
CNY Chinese Yuan Renminbi	INR Indian Rupee	PLN Polish Zloty	XOF CFA Franc BCEAO
COP Colombian Peso	JPY Japanese Yen	QAR Qatari Rial	ZAR South African Rand
CZK Czech Koruna	KES Kenyan Shilling	RON New Romanian Leu	ZWL Zimbabwe Dollar
DEM Deutsche Mark	KRW South Korean Won	RUB Russian Ruble	
DKK Danish Krone	KWD Kuwaiti Dinar	SAR Saudi Arabian Riyal	
	LKR Sri Lanka Rupee	SEK Swedish Krona	

Note 30 — Subsequent events

On July 22, 2019, the Franklin Asia Credit Fund has been closed.

On July 25, 2019, the Franklin Brazil Opportunities Fund has been closed.

On September 2, 2019, the Templeton Emerging Markets Balanced Fund has been renamed Templeton Emerging Markets Dynamic Income Fund.

On September 30, 2019, the Franklin K2 Global Macro Opportunities Fund will be closed.

On October 3, 2019, the Templeton Global Currency Fund will be closed.

Additional Information - Unaudited

Calculation Method of the Risk Exposure

Global exposure using the VaR approach

Fund	Market Risk	Limit	Regulatory VaR limit utilisation			Reference portfolio	Model type	Confidence period	Holding period	Observation period	Leverage [*]
			Lowest	Highest	Average						
Franklin Brazil Opportunities Fund	Relative VaR	200% (or 2.0X)	26.57%	94.38%	49.63%	MSCI Brazil Index (10%) and J.P.Morgan EMBI Brazil Plus Index (90%)	Monte Carlo Simulation (MSCI Risk Manager)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	177.06%
Franklin Diversified Balanced Fund	Absolute VaR	20% (or 0.2X)	2.16%	4.88%	3.66%	N/A	Monte Carlo Simulation (MSCI Barra)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	70.82%
Franklin Diversified Conservative Fund	Absolute VaR	20% (or 0.2X)	1.20%	2.91%	1.97%	N/A	Monte Carlo Simulation (MSCI Barra)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	37.29%
Franklin Diversified Dynamic Fund	Absolute VaR	20% (or 0.2X)	3.32%	6.95%	5.30%	N/A	Monte Carlo Simulation (MSCI Barra)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	95.52%
Franklin Flexible Alpha Bond Fund	Absolute VaR	20% (or 0.2X)	0.44%	0.93%	0.66%	N/A	Monte Carlo Simulation (Bloomberg PORT)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	110.20%
Franklin Global Aggregate Bond Fund	Relative VaR	200% (or 2.0X)	100%	143.99%	122.21%	Bloomberg Barclays Global Aggregate Index (100%)	Monte Carlo Simulation (Bloomberg PORT)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	20.27%
Franklin Global Multi-Asset Income Fund	Relative VaR	200% (or 2.0X)	51.37%	122.10%	88.79%	Bloomberg Barclays Multiverse EUR Hedged (55%), the MSCI All Country World Index (40%) and the Bloomberg Commodity Total Return Index (5%)	Monte Carlo Simulation (MSCI Barra)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	88.31%
Franklin K2 Alternative Strategies Fund	Absolute VaR	20% (or 0.2X)	1.33%	9.35%	2.86%	N/A	Monte Carlo Simulation (Hedgemark)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	184.54%
Franklin K2 Global Macro Opportunities Fund	Absolute VaR	20% (or 0.2X)	1.84%	13.24%	3.78%	N/A	Monte Carlo Simulation (Hedgemark)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	770.96%
Franklin K2 Long Short Credit Fund	Absolute VaR	20% (or 0.2X)	0.67%	4.15%	1.86%	N/A	Monte Carlo Simulation (Hedgemark)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	51.20%
Franklin Strategic Income Fund	Relative VaR	200% (or 2.0X)	49.51%	68.75%	55.93%	US High Yield (10%), US Mortgage-Backed (10%), US Government (10%), US Credit Corporates (10%), US Commercial Mortgage-Backed (5%), Global Treasury ex-US (10%), US Dollar Emerging Markets Sovereign (10%), Emerging Market Local Currency Government (10%) and Global High Yield (25%).	Monte Carlo Simulation (Bloomberg PORT)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	34.71%
Franklin U.S. Low Duration Fund	Relative VaR	200% (or 2.0X)	75.71%	125%	95.70%	Bloomberg Barclays US Government/ Credit 1-3Y Index.	Monte Carlo Simulation (Bloomberg PORT)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	53.04%

Additional Information - Unaudited (continued)

Calculation Method of the Risk Exposure (continued)

Global exposure using the VaR approach (continued)

Fund	Market Risk	Limit	Regulatory VaR limit utilisation			Reference portfolio	Model type	Confidence period	Holding period	Observation period	Leverage [*]
			Lowest	Highest	Average						
Templeton Asian Bond Fund	Relative VaR	200% (or 2.0X)	59.10%	87.20%	74.92%	JPMorgan Government Bond Index-Emerging Markets Broad Diversified Asia Index (100%)	Monte Carlo Simulation (Bloomberg PORT)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	110.31%
Templeton Emerging Markets Bond Fund	Relative VaR	200% (or 2.0X)	91.54%	132.62%	108.69%	J.P. Morgan Emerging Markets Bond Index Global (EMBIG) (50%) and J.P. Morgan Government Bond Index-Emerging Markets (GBI-EM) (50%).	Monte Carlo Simulation (Bloomberg PORT)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	92.83%
Templeton Emerging Markets Local Currency Bond Fund	Relative VaR	200% (or 2.0X)	88.76%	111.34%	100.35%	JP Morgan GBI-EM Global Diversified Index (100%)	Monte Carlo Simulation (Bloomberg PORT)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	4.05%
Templeton Global Bond Fund	Relative VaR	200% (or 2.0X)	85.23%	125.64%	106.31%	J.P. Morgan Government Bond Index Broad (JGBI Broad) (50%), J.P. Morgan Emerging Markets Bond Index Global (EMBIG) (25%) and J.P. Morgan Government Bond Index-Emerging Markets (GBI-EM) (25%).	Monte Carlo Simulation (Bloomberg PORT)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	157.93%
Templeton Global Currency Fund	Relative VaR	200% (or 2.0X)	64.78%	101.94%	79.17%	J.P. Morgan 3 Month Global Cash Index (50%) and the J.P. Morgan Emerging Markets Currency Index (50%)	Monte Carlo Simulation (Bloomberg PORT)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	81.86%
Templeton Global High Yield Fund	Relative VaR	200% (or 2.0X)	83.85%	106.42%	92.09%	J.P. Morgan Global High Yield Index (50%), J.P. Morgan Emerging Markets Bond Index Global (EMBIG) (25%) and J.P. Morgan Government Bond Index-Emerging Markets (GBI-EM) (25%).	Monte Carlo Simulation (Bloomberg PORT)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	49.71%
Templeton Global Income Fund	Relative VaR	200% (or 2.0X)	101.84%	150.26%	129.76%	MSCI All Country World Index (50%), the Bloomberg Barclays Multiverse Index (25%), the Bloomberg Barclays Global High-Yield Index (12.5%), the J.P. Morgan Emerging Markets Bond Index Global (EMBIG) (6.25%) and the J.P. Morgan Government Bond Index-Emerging Markets (GBI-EM) (6.25%).	Monte Carlo Simulation (Bloomberg PORT)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	76.98%

Additional Information - Unaudited (continued)

Calculation Method of the Risk Exposure (continued)

Global exposure using the VaR approach (continued)

Fund	Market Risk	Regulatory VaR limit utilisation				Reference portfolio	Model type	Confidence period	Holding period	Observation period	Leverage*
		Limit	Lowest	Highest	Average						
Templeton Global Total Return Fund	Relative VaR	200% (or 2.0X)	120.33%	173.52%	150.13%	Bloomberg Barclays Multiverse Index (50%), the Bloomberg Barclays Global High-Yield Index (25%), the J.P. Morgan Emerging Markets Bond Index Global (EMBIG) (12.5%) and the J.P. Morgan Government Bond Index-Emerging Markets (GBI-EM) (12.5%)	Monte Carlo Simulation (Bloomberg PORT)	99th Percentile	20-Day	1 Jul 2018 to 30 Jun 2019	157.64%

*The level of leverage calculation method used is the sum of notional approach in line with CSSF Circular 11/512

Additional Information - Unaudited (continued)

Calculation Method of the Risk Exposure (continued)

Global exposure using the commitment approach

Franklin Asia Credit Fund	Franklin NextStep Moderate Fund
Franklin Biotechnology Discovery Fund	Franklin NextStep Stable Growth Fund
Franklin Emerging Markets Debt Opportunities Hard Currency Fund ¹	Franklin Select U.S. Equity Fund ³
Franklin Euro Government Bond Fund	Franklin Technology Fund
Franklin Euro High Yield Fund	Franklin U.S. Dollar Short-Term Money Market Fund ⁴
Franklin Euro Short Duration Bond Fund	Franklin U.S. Government Fund
Franklin Euro Short-Term Money Market Fund	Franklin U.S. Opportunities Fund
Franklin European Corporate Bond Fund	Franklin World Perspectives Fund
Franklin European Dividend Fund	Franklin Mutual European Fund
Franklin European Growth Fund	Franklin Mutual Global Discovery Fund
Franklin European Income Fund	Franklin Mutual U.S. Value Fund
Franklin European Small-Mid Cap Fund ²	Templeton Africa Fund ⁵
Franklin European Total Return Fund	Templeton Asian Growth Fund
Franklin GCC Bond Fund	Templeton Asian Smaller Companies Fund
Franklin Global Aggregate Investment Grade Bond Fund ⁵	Templeton BRIC Fund
Franklin Global Convertible Securities Fund	Templeton China Fund
Franklin Global Corporate Investment Grade Bond Fund ¹	Templeton Eastern Europe Fund
Franklin Global Fundamental Strategies Fund	Templeton Emerging Markets Fund
Franklin Global Listed Infrastructure Fund	Templeton Emerging Markets Balanced Fund
Franklin Global Real Estate Fund	Templeton Emerging Markets Smaller Companies Fund
Franklin Global Small-Mid Cap Fund ²	Templeton Euroland Fund
Franklin Gold and Precious Metals Fund	Templeton European Fund ⁵
Franklin High Yield Fund	Templeton Frontier Markets Fund
Franklin Income Fund	Templeton Global Fund
Franklin India Fund	Templeton Global Balanced Fund
Franklin Japan Fund	Templeton Global Bond (Euro) Fund
Franklin MENA Fund	Templeton Global Climate Change Fund
Franklin Natural Resources Fund	Templeton Global Equity Income Fund
Franklin NextStep Balanced Growth Fund	Templeton Global Smaller Companies Fund
Franklin NextStep Conservative Fund	Templeton Growth (Euro) Fund
Franklin NextStep Dynamic Growth Fund	Templeton Latin America Fund
Franklin NextStep Growth Fund	Templeton Thailand Fund

¹This Fund was launched during the year

²This Fund had its name changed effective on May 17, 2019 (refer to Note 1)

³This Fund had its name changed effective on August 1, 2018 (refer to Note 1)

⁴This Fund had its name changed effective on January 28, 2019 (refer to Note 1)

⁵This Fund was closed/merged during the year

Additional Information - Unaudited (continued)

Securities Financing Transactions (SFTs) and Total Return Swaps (TRS)

The Company engages in Securities Financing Transactions (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions) through its exposure on securities lending transactions and total return swap contracts during the year, in accordance with Article 13 of Regulation. Information on securities lending transactions and total return swaps are detailed below.

Global data

Fund	Fund currency	Securities lending		Gross Volume of TRS ⁽¹⁾	Total Securities Lending and TRS in % of net assets
		Market value of securities on loan	in % of lendable securities' market value		
Franklin Biotechnology Discovery Fund	USD	143,237,032	7.77		7.70
Franklin Diversified Balanced Fund	EUR			47,064	0.02
Franklin Diversified Conservative Fund	EUR			52,514	0.02
Franklin Diversified Dynamic Fund	EUR			22,533	0.02
Franklin European Dividend Fund	EUR	991,069	0.94		0.91
Franklin European Growth Fund	EUR	11,577,987	4.51		4.48
Franklin Flexible Alpha Bond Fund	USD			689,932	0.15
Franklin Global Multi-Asset Income Fund	EUR			62,542	0.03
Franklin K2 Alternative Strategies Fund	USD			50,233,163	2.22
Franklin K2 Global Macro Opportunities Fund	USD			10,656	0.04
Franklin K2 Long Short Credit Fund	USD			105,873	0.11
Franklin Natural Resources Fund	USD	433,836	0.17		0.17
Franklin Select U.S. Equity Fund	USD	255,936	0.07		0.07
Franklin Strategic Income Fund	USD			892,194	0.11
Franklin Technology Fund	USD	33,537,569	1.15		1.11
Franklin U.S. Low Duration Fund	USD			313,868	0.05
Franklin U.S. Opportunities Fund	USD	22,228,246	0.53		0.53
Templeton Asian Smaller Companies Fund	USD	51,204,503	3.44		3.26
Templeton Emerging Markets Smaller Companies Fund	USD	18,866,593	2.03		1.98
Templeton Global Fund	USD	6,006,206	0.68		0.65
Templeton Global Smaller Companies Fund	USD	310,509	0.31		0.30

⁽¹⁾ absolute value of the unrealised gains/(losses)

Concentration data

Securities Lending, ten largest collateral issuers

Fund	Fund currency	Issuer	Collateral value in Fund currency
Franklin Biotechnology Discovery Fund	USD	Government of Australia	64,396,380
		Government of Belgium	71,774,424
		Government of France	6,868,588
		Government of Germany	729,858
		Government of Norway	1,183,530
		Government of Switzerland	1,462
		Government of the Netherlands	17
		United Kingdom Treasury	1,515,750
Franklin European Dividend Fund	EUR	Government of Austria	525,591
		Government of Belgium	212,682
		Government of Finland	514
		United Kingdom Treasury	447,783
Franklin European Growth Fund	EUR	Government of Austria	41,378
		Government of Belgium	1,519,003
		Government of Finland	383,747
		Government of France	429,187
		Government of Germany	183,209
		United Kingdom Treasury	11,150,724
Franklin Natural Resources Fund	USD	United Kingdom Treasury	462,263
Franklin Select U.S. Equity Fund	USD	Government of Belgium	266,854
Franklin Technology Fund	USD	Government of Australia	3,667,028
		Government of Belgium	28,307,061
		Government of France	2,933,237
Franklin U.S. Opportunities Fund	USD	Government of Belgium	10,068,801
		Government of Denmark	30
		Government of France	13,414,662

Additional Information - Unaudited (continued)

Concentration data (continued)

Securities Lending, ten largest collateral issuers (continued)

Fund	Fund currency	Issuer	Collateral value in Fund currency
Templeton Asian Smaller Companies Fund	USD	Government of Austria	2,626,714
		Government of Belgium	5,678,172
		Government of Finland	1,426,052
		Government of France	3,621,376
		Government of Germany	11,261,569
		United Kingdom Treasury	29,204,041
Templeton Emerging Markets Smaller Companies Fund	USD	Government of Austria	1,620,672
		Government of Belgium	2,363,726
		Government of Finland	534,555
		Government of France	1,398,472
		Government of Germany	4,438,535
		United Kingdom Treasury	9,472,726
Templeton Global Fund	USD	Government of France	6,207,927
Templeton Global Smaller Companies Fund	USD	Government of Belgium	220,013
		Government of Finland	55,582
		Government of France	57,081

When less than 10 issuers are disclosed, less than 10 issuers are available.

Total return swaps, ten largest collateral issuers

Fund	Fund currency	Issuer	Collateral value in Fund currency
Franklin Strategic Income Fund	USD	U.S. Treasury	276,495
Franklin U.S. Low Duration Fund	USD	U.S. Treasury	214,456

When less than 10 issuers are disclosed, less than 10 issuers are available.

The above table does not include the collateral received in Cash.

Securities Lending, ten largest counterparties

All securities lending counterparties are disclosed in Note 14.

Total return swaps, ten largest counterparties

Fund	Fund currency	Counterparty	Gross Volume of TRS ⁽¹⁾ in Fund currency
Franklin Diversified Balanced Fund	EUR	Societe Generale	47,064
Franklin Diversified Conservative Fund	EUR	JPMorgan	4,135
		Societe Generale	48,379
Franklin Diversified Dynamic Fund	EUR	Societe Generale	22,533
Franklin Flexible Alpha Bond Fund	USD	Citigroup	147,575
		Credit Suisse	15,513
		Goldman Sachs	44,253
		JPMorgan	457,389
		Morgan Stanley	25,202
Franklin Global Multi-Asset Income Fund	EUR	JPMorgan	18,407
		Societe Generale	44,135
Franklin K2 Alternative Strategies Fund	USD	Bank of America	78,008
		Deutsche Bank	21,789,412
		Goldman Sachs	469,968
		JPMorgan	6,175,063
		Morgan Stanley	21,720,712
Franklin K2 Global Macro Opportunities Fund	USD	Bank of America	2,311
		Deutsche Bank	8,345
Franklin K2 Long Short Credit Fund	USD	Bank of America	7,632
		Citigroup	2,357
		Deutsche Bank	19,498
		Goldman Sachs	6,903
		JPMorgan	54,010
		Morgan Stanley	15,473

Additional Information - Unaudited (continued)

Concentration data (continued)

Total return swaps, ten largest counterparties (continued)

Fund	Fund currency	Counterparty	Gross Volume of TRS ⁽¹⁾ in Fund currency
Franklin Strategic Income Fund	USD	Credit Suisse	108,593
		Goldman Sachs	567,757
		JPMorgan	35,232
		Morgan Stanley	180,612
Franklin U.S. Low Duration Fund	USD	Credit Suisse	47,574
		Goldman Sachs	158,114
		JPMorgan	30,055
		Morgan Stanley	78,125

⁽¹⁾ absolute value of the unrealised gains/(losses)

When less than 10 counterparties are disclosed, less than 10 counterparties are available.

Aggregate transaction data

Securities lending, type and quality of collateral

Fund	Fund currency	Type of collateral	Maturity	Collateral currency	Collateral value in Fund currency
Franklin Biotechnology Discovery Fund	USD	Sovereign	three months to one year	EUR	75
			above one year	AUD	64,396,380
				CHF	1,462
				EUR	79,372,812
				GBP	1,515,750
Franklin European Dividend Fund	EUR	Sovereign	three months to one year	NOK	1,183,530
			three months to one year	GBP	4,395
			above one year	EUR	738,787
				GBP	443,388
Franklin European Growth Fund	EUR	Sovereign	three months to one year	EUR	64,988
				GBP	256,394
			above one year	EUR	2,491,536
				GBP	10,894,330
Franklin Natural Resources Fund	USD	Sovereign	above one year	GBP	462,263
Franklin Select U.S. Equity Fund	USD	Sovereign	above one year	EUR	266,854
Franklin Technology Fund	USD	Sovereign	above one year	AUD	3,667,028
				EUR	31,240,298
Franklin U.S. Opportunities Fund	USD	Sovereign	three months to one year	EUR	2,525,607
			above one year	DKK	30
				EUR	20,957,856
Templeton Asian Smaller Companies Fund	USD	Sovereign	three months to one year	EUR	1,628,836
				GBP	340,574
			above one year	EUR	22,985,047
Templeton Emerging Markets Smaller Companies Fund	USD	Sovereign		GBP	28,863,467
			three months to one year	EUR	638,979
				GBP	79,534
			above one year	EUR	9,716,981
Templeton Global Fund	USD	Sovereign		GBP	9,393,192
Templeton Global Smaller Companies Fund	USD	Sovereign	above one year	EUR	6,207,927
			three months to one year	EUR	5933
			above one year	EUR	326,743

Collaterals received by the Funds in respect of securities lending as at the reporting date are in the form of debt securities having investment grade credit rating.

Additional Information - Unaudited (continued)

Aggregate transaction data (continued)

Securities lending, maturity tenor and country of incorporation

Fund	Fund currency	Maturity	Country of incorporation of the Counterparty	Market value of securities on loan in Fund currency
Franklin Biotechnology Discovery Fund	USD	open maturity	Germany	133,061,299
			Switzerland	1,760,200
			United Kingdom	1,495,000
			United States of America	6,920,533
Franklin European Dividend Fund	EUR	open maturity	Switzerland	156,800
			United States of America	834,269
Franklin European Growth Fund	EUR	open maturity	Switzerland	9,247,120
			United States of America	2,330,867
Franklin Natural Resources Fund	USD	open maturity	United Kingdom	433,836
Franklin Select U.S. Equity Fund	USD	open maturity	Germany	255,936
Franklin Technology Fund	USD	open maturity	Germany	27,209,696
			United Kingdom	2,812,388
			United States of America	3,515,485
Franklin U.S. Opportunities Fund	USD	open maturity	Germany	9,829,445
			Switzerland	2,426,505
			United States of America	9,972,296
Templeton Asian Smaller Companies Fund	USD	open maturity	Switzerland	13,766,013
			United States of America	37,438,490
Templeton Emerging Markets Smaller Companies Fund	USD	open maturity	Switzerland	3,214,754
			United States of America	15,651,839
Templeton Global Fund	USD	open maturity	United States of America	6,006,206
Templeton Global Smaller Companies Fund	USD	open maturity	United States of America	310,509

All Funds engaged in securities lending utilise bi-lateral settlement and clearing with their respective counterparty.

Total return swaps, type of collateral and maturity tenor

Fund	Fund currency	Type of collateral	Maturity	Collateral currency	Collateral value in Fund currency
Franklin Flexible Alpha Bond Fund	USD	Cash	open maturity	EUR	100,043
				USD	840,000
Franklin K2 Alternative Strategies Fund	USD	Cash	open maturity	USD	3,120,000
Franklin K2 Global Macro Opportunities Fund	USD	Cash	open maturity	USD	80,000
Franklin K2 Long Short Credit Fund	USD	Cash	open maturity	USD	170,000
Franklin Strategic Income Fund	USD	Cash	open maturity	EUR	312,634
				USD	1,300,000
				USD	276,495
Franklin U.S. Low Duration Fund	USD	Cash	open maturity	USD	680,000
		Sovereign	above one year	USD	214,456

Collateral amounts disclosed above include collateral received on OTC derivatives other than total return swaps. OTC derivative transactions entered into by each of the Funds under and ISDA master agreement are netted together for collateral purposes. Therefore, collateral disclosures provided above are in respect of all OTC derivative transactions and not just total return swaps.

Total return swaps, maturity tenor and country of incorporation

Fund	Fund currency	Maturity	Country of incorporation of the Counterparty	Gross Volume of TRS ⁽¹⁾ in Fund currency
Franklin Diversified Balanced Fund	EUR	three months to one year	France	47,064
Franklin Diversified Conservative Fund	EUR	three months to one year	France	48,379
			United States of America	4,135
Franklin Diversified Dynamic Fund	EUR	three months to one year	France	22,533
Franklin Flexible Alpha Bond Fund	USD	one to three months	United States of America	604,088
		three months to one year	Switzerland	15,513
			United States of America	70,331
Franklin Global Multi-Asset Income Fund	EUR	three months to one year	France	44,135
			United States of America	18,407

Additional Information - Unaudited (continued)

Aggregate transaction data (continued)

Total return swaps, maturity tenor and country of incorporation (continued)

Fund	Fund currency	Maturity	Country of incorporation of the Counterparty	Gross Volume of TRS ⁽¹⁾ in Fund currency
Franklin K2 Alternative Strategies Fund	USD	one day to one week	Germany	27,257
		one week to one month	United States of America	347,383
		one to three months	Germany	163,324
			United States of America	4,724,365
		three months to one year	Germany	21,575,782
			United States of America	14,306,265
		above one year	Germany	23,049
			United States of America	9,065,738
Franklin K2 Global Macro Opportunities Fund	USD	one to three months	Germany	7,396
		three months to one year	United States of America	2,311
		above one year	Germany	949
Franklin K2 Long Short Credit Fund	USD	one to three months	Germany	17,257
			United States of America	36,278
		three months to one year	United States of America	50,097
		above one year	Germany	2,241
Franklin Strategic Income Fund	USD	three months to one year	Switzerland	108,593
			United States of America	783,601
Franklin U.S. Low Duration Fund	USD	one to three months	United States of America	37,369
		three months to one year	Switzerland	47,574
			United States of America	228,925

⁽¹⁾ absolute value of the unrealised gains/(losses)

All Funds engaged in total return swap contracts utilise bi-lateral settlement and clearing with their respective counterparty.

Data on reuse of collateral

Collaterals received in relation to Securities lending and Total Return Swaps cannot be sold, re-invested or pledged.

Safekeeping of collateral

All the collateral received in relation to Securities Lending is in custody at Goldman Sachs or JPMorgan Bank Luxembourg S.A.

All the collateral received in relation to Total Return Swaps is in custody at JPMorgan Bank Luxembourg S.A.

Data on return

The total income earned from the securities lending programme is detailed in Note 14.

The return from total return swap contracts is accrued to the Funds.

Additional Information - Unaudited (continued)

Collateral

The following table reports the collateral held as at June 30, 2019 to reduce counterparty exposure on OTC derivatives.

Fund	Counterparty		Cash held as collateral		Sovereign Bonds held as collateral
Franklin Euro High Yield Fund	Deutsche Bank	EUR	290,000		-
	Morgan Stanley	EUR	605,000		-
Franklin Flexible Alpha Bond Fund	Bank of America	EUR	88,000		-
	Credit Suisse	USD	60,000		-
	Deutsche Bank	USD	130,000		-
	JPMorgan	USD	390,000		-
	UBS	USD	260,000		-
Franklin GCC Bond Fund	Morgan Stanley	USD	340,000		-
Franklin Global Convertible Securities Fund	Bank of America	USD	380,000		-
	Barclays		-	USD	376,400
	BNP Paribas	EUR	264,000		-
	Citigroup	USD	580,000		-
	Goldman Sachs	USD	240,000		-
	HSBC		-	USD	357,572
	JPMorgan	USD	770,000		-
	Morgan Stanley	USD	730,000		-
Franklin Global Fundamental Strategies Fund	Citigroup	USD	550,000		-
	Credit Suisse	USD	290,000		-
	HSBC		-	USD	1,201,445
	JPMorgan	USD	350,000		-
	The Bank of New York Mellon		-	USD	140,778
	UBS	USD	40,000		-
Franklin Gold and Precious Metals Fund	Morgan Stanley	USD	56,000		-
Franklin Income Fund	Bank of America		-	USD	143,089
	Goldman Sachs	USD	120,000		-
Franklin K2 Alternative Strategies Fund	Bank of America	USD	2,710,000		-
	Goldman Sachs	USD	410,000		-
Franklin K2 Global Macro Opportunities Fund	Deutsche Bank	USD	80,000		-
Franklin K2 Long Short Credit Fund	Deutsche Bank	USD	150,000		-
	Goldman Sachs	USD	20,000		-
Franklin MENA Fund	Morgan Stanley	USD	78,000		-
Franklin Select U.S. Equity Fund	Morgan Stanley	USD	20,000		-
Franklin Strategic Income Fund	Bank of America	EUR	275,000		-
	Credit Suisse	USD	150,000		-
	Deutsche Bank	USD	110,000		-
	Goldman Sachs	USD	720,000		-
	HSBC		-	USD	276,495
	Morgan Stanley	USD	320,000		-
Franklin U.S. Low Duration Fund	Bank of America		-	USD	214,456
	Deutsche Bank	USD	120,000		-
	Goldman Sachs	USD	260,000		-
	Morgan Stanley	USD	300,000		-
Franklin U.S. Opportunities Fund	Bank of America	USD	470,000		-
	Barclays	EUR	1,110,000		-
	BNP Paribas	EUR	958,000		-
	Citigroup	USD	720,000		-
	Goldman Sachs	USD	390,000		-
	HSBC		-	USD	970,849
	JPMorgan	USD	730,000		-
	Morgan Stanley	USD	670,000		-
	UBS	USD	300,000		-
Franklin Mutual Global Discovery Fund	Bank of America	EUR	298,903		-
Franklin Mutual U.S. Value Fund	Morgan Stanley	USD	67,000		-
Templeton Asian Bond Fund	Bank of America		-	USD	114,185
	JPMorgan	USD	1,460,000		-
Templeton Asian Growth Fund	Bank of America	EUR	106,000		-
	Goldman Sachs	USD	130,000		-
	The Bank of New York Mellon	USD	110,000		-

Additional Information - Unaudited (continued)

Collateral (continued)

The following table reports the collateral held as at June 30, 2019 to reduce counterparty exposure on OTC derivatives.

Fund	Counterparty		Cash held as collateral		Sovereign Bonds held as collateral
Templeton Emerging Markets Bond Fund	Barclays		-	USD	670,463
	Citigroup	USD	5,140,000		-
	Goldman Sachs	USD	1,690,000		-
	HSBC		-	USD	975,007
	JPMorgan	USD	5,250,000		-
	Morgan Stanley	USD	1,890,000		-
	Toronto-Dominion Bank	USD	320,000		-
Templeton Global Balanced Fund	HSBC		-	USD	214,868
	Morgan Stanley	USD	10,000		-
Templeton Global Bond Fund	Credit Suisse	USD	2,990,000		-
	HSBC		-	USD	10,197,258
	Morgan Stanley	USD	6,570,000		-
	The Bank of New York Mellon	USD	1,150,000		-
	Toronto-Dominion Bank		-	USD	1,069,301
Templeton Global Bond (Euro) Fund	Barclays		-	USD	416,488
	BNP Paribas	EUR	277,000		-
Templeton Global Income Fund	Citigroup	USD	260,000		-
	JPMorgan	USD	260,000		-
Templeton Global Total Return Fund	Barclays	USD	860,000		-
	Credit Suisse	USD	3,970,000		-
	Morgan Stanley	USD	5,030,000		-
	The Bank of New York Mellon	USD	1,720,000		-
	Toronto-Dominion Bank		-	USD	1,353,934
Templeton Latin America Fund	Bank of America	EUR	124,000		-
	Citigroup	USD	280,000		-

Additional Information - Unaudited (continued)

Remuneration

Franklin Templeton International Services S.à r.l. ("FTIS"), as UCITS licensed management company (the "Management Company") has a remuneration policy (the "Policy") in place which applies to all UCITS funds (each a "UCITS" and together the "UCITS") under its management. The Policy has been designed to discourage excessive risk taking, integrating in its performance management systems risk criteria specific to the business units it covers. The policy has a governance structure aimed at preventing internal conflicts of interest.

There are defined procedures in place for the creation, update, review and approval of the Policy as well as for communication and implementation of the Policy. Senior Management, Human Resources, Compliance and other functions are all involved in this process and the Policy is approved by Senior Management and the Board of Directors of the Management Company.

Fixed remuneration is defined as base salary plus other benefits which may include pension contributions, life assurance premiums or private medical insurance premiums. Levels of fixed remuneration are set with reference to job complexity, level of responsibility, performance and market benchmarking data. These levels are reviewed on a regular basis.

Variable remuneration is defined as annual bonuses, long term awards in the form of performance share grants or sales bonus payments. Levels of variable remuneration are set with reference to overall corporate and business unit performance as well as individual performance.

The full Policy is available at the registered office of the Management Company. Quantitative information relevant to the Franklin Templeton Investment Funds is outlined below.

Total amount of fixed remuneration paid by FTIS and its delegates during the year ended September 30, 2018*,**	€10,749,125
Total amount of variable remuneration paid by FTIS and its delegates during the year ended September 30, 2018	€ 3,939,861
Number of staff of FTIS and in its delegates as at September 30, 2018	167.9
Total amount of compensation paid by FTIS and its delegates to Senior managers during the year ended September 30, 2018*,**	€ 3,772,980
Total amount paid by FTIS and its delegates to other members of staff who have a material impact on the profile of UCITS during year ended September 30, 2018*,**	€ -

*The total amount of compensation paid by FTIS has been allocated to each UCITS based on their pro rata share of the average month end total net assets of FTIS for the year ended September 30, 2018.

** The total amount of compensation paid by the FTIS delegates has been allocated to each UCITS based on their pro rata share of the average month end total net assets of the FTIS delegates for the year ended September 30, 2018.

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** Master agent appointed in Taiwan for FTIF to be offered and sold to the public in Taiwan.*

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