



Franklin Strategic Mortgage Portfolio

March 31, 2019

Portfolio Holdings

The following portfolio data for the Franklin Templeton funds is made available to the public under our Portfolio Holdings Release Policy and is "as of" the date indicated.

This portfolio data should not be relied upon as a complete listing of a fund's holdings (or of a fund's top holdings) as information on particular holdings may be withheld if it is in the fund's interest to do so. Additionally, foreign currency forwards are not included in the portfolio data. Instead, the net market value of all currency forward contracts is included in cash and other net assets of the fund. Further, portfolio holdings data of over-the-counter derivative investments such as Credit Default Swaps, Interest Rate Swaps or other Swap contracts list only the name of counterparty to the derivative contract, not the details of the derivative. Complete portfolio data can be found in the semi- and annual financial statements of the fund.

Security Identifier	Security Name	Shares/ Positions Held	Market Value	% of TNA	Coupon Rate	Maturity Date
023138AA8	AMBAC ASSURANCE CORP	236	\$333	0.00%	5.10%	06/07/20
BG04C29	AMBAC LSNI LLC	1,027	\$1,037	0.00%	7.59%	02/12/23
02660TDH3	AMERICAN HOME MORTGAGE INVESTMENT TRUST	99,294	\$100,544	0.16%	4.70%	06/25/45
02666AAA6	AMERICAN HOMES 4 RENT	149,500	\$151,498	0.24%	3.47%	04/17/52
02666TAA5	AMERICAN HOMES 4 RENT LP	100,000	\$99,155	0.16%	4.25%	02/15/28
03702YAE0	ANTHRACITE HY1 LTD	1,598,000	\$6,392	0.01%	7.15%	06/20/41
06539LBC3	BANK 2018-BNK13	2,510,563	\$88,284	0.14%	.52%	08/15/61
07386HPY1	BEAR STEARNS ALT-A TRUST	19,032	\$19,013	0.03%	3.37%	11/25/34
078768AD0	BELLEMEADE RE 2018-1 LTD	170,000	\$170,770	0.28%	4.09%	04/25/28
056059AA6	BX COMMERCIAL MORTGAGE TRUST 2018-IND	114,487	\$114,288	0.18%	3.23%	11/15/35
03927PAE8	CENTERLINE REIT INC	185,003	\$183,593	0.30%	5.04%	09/21/45
12553XAD5	CIM TRUST 2018-INV1	177,623	\$180,810	0.29%	4.00%	08/25/48
12555DAA3	CIM TRUST 2019-INV1	230,000	\$233,762	0.38%	4.00%	02/25/49
17310MAH3	CITIGROUP COMMERCIAL MORTGAGE TRUST	54,559	\$52,855	0.09%	5.48%	10/15/49
17320XAA2	CITIGROUP MORTGAGE LOAN TRUST	28,004	\$27,745	0.04%	3.00%	05/25/42
20173MAG5	COMMERCIAL MORTGAGE TRUST	54,471	\$54,848	0.09%	5.61%	07/10/38
20173MAH3	COMMERCIAL MORTGAGE TRUST	120,000	\$109,177	0.18%	5.61%	07/10/38
20846QJY5	CONSECO FINANCE SECURITIZATIONS CORP	304,591	\$329,441	0.53%	7.42%	03/01/33
393505F98	CONSECO FINANCIAL CORP	46,641	\$48,981	0.08%	6.87%	04/01/30
393505K27	CONSECO FINANCIAL CORP	96,596	\$100,392	0.16%	6.66%	06/01/30
21870LAA4	CORE INDUSTRIAL TRUST	355,751	\$358,405	0.58%	3.04%	02/10/34
126281AZ7	CSAIL COMMERCIAL MORTGAGE TRUST	430,000	\$441,999	0.71%	3.51%	04/15/50
12642NBQ0	CSMC	17,712	\$17,861	0.03%	5.10%	03/26/36
12649GAA4	CSMC TRUST	117,948	\$116,924	0.19%	3.00%	11/25/29
126671Z25	CWABS INC ASSET-BACKED CERTIFICATES	65,291	\$65,683	0.11%	3.24%	03/25/34

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01F042640	FANNIE MAE	3,000,000	\$3,126,254	5.05%	4.50%	04/01/49
313614X53	FANNIE MAE	63	\$63	0.00%	10.00%	06/01/19
313615TA4	FANNIE MAE	144	\$156	0.00%	6.00%	12/01/23
3136363G5	FANNIE MAE	1,243	\$1,245	0.00%	2.88%	10/01/20
31363EJ97	FANNIE MAE	1,115	\$1,115	0.00%	3.56%	10/01/19
31365DM69	FANNIE MAE	8,990	\$9,096	0.01%	3.56%	01/01/23
31366VA20	FANNIE MAE	1,850	\$1,850	0.00%	3.75%	05/01/22
31368H4B6	FANNIE MAE	4,979	\$5,044	0.01%	4.02%	05/01/24
31368HKL6	FANNIE MAE	5,670	\$6,274	0.01%	6.50%	05/01/28
31368HKV4	FANNIE MAE	104	\$123	0.00%	7.50%	09/01/30
31368HUX9	FANNIE MAE	6,523	\$6,510	0.01%	4.00%	01/01/24
31368JDB2	FANNIE MAE	121	\$130	0.00%	9.00%	08/01/24
31368MNQ1	FANNIE MAE	8,027	\$8,014	0.01%	3.70%	01/01/23
31368QXH1	FANNIE MAE	9,733	\$9,740	0.02%	3.84%	01/01/22
31369CXC2	FANNIE MAE	16,897	\$17,035	0.03%	3.59%	05/01/22
31369LPF4	FANNIE MAE	5,698	\$5,745	0.01%	3.71%	10/01/23
31371E2V6	FANNIE MAE	265	\$282	0.00%	8.00%	01/01/25
31371E3H6	FANNIE MAE	321	\$348	0.00%	9.00%	01/01/25
31371E4M4	FANNIE MAE	748	\$807	0.00%	9.00%	04/01/25
31371FAX0	FANNIE MAE	336	\$364	0.00%	7.50%	08/01/25
31371G3U2	FANNIE MAE	151,853	\$167,811	0.27%	6.50%	07/01/28
31371GZ86	FANNIE MAE	7,319	\$8,152	0.01%	6.50%	09/01/28
31371KPU9	FANNIE MAE	21,496	\$25,078	0.04%	7.50%	05/01/32
31371L2Y4	FANNIE MAE	28,991	\$30,394	0.05%	3.50%	12/01/34
31371L5U9	FANNIE MAE	4,568	\$4,754	0.01%	3.50%	01/01/35
31371LJJ9	FANNIE MAE	114,306	\$115,581	0.19%	3.47%	11/01/33
31371LK99	FANNIE MAE	4,966	\$5,145	0.01%	3.50%	12/01/33
31371LPY9	FANNIE MAE	29,282	\$30,633	0.05%	3.90%	04/01/34
31371WP90	FANNIE MAE	19,610	\$19,774	0.03%	3.58%	12/01/23
31373BEE5	FANNIE MAE	6,160	\$6,273	0.01%	3.67%	03/01/23
31373GUB2	FANNIE MAE	9,582	\$9,737	0.02%	3.50%	09/01/24
31373UGC5	FANNIE MAE	1,909	\$1,911	0.00%	4.13%	03/01/22
31373UMB0	FANNIE MAE	125	\$126	0.00%	9.50%	11/01/21
31374FXG9	FANNIE MAE	804	\$895	0.00%	8.00%	12/01/25
31374GCQ8	FANNIE MAE	3,512	\$3,519	0.01%	3.43%	01/01/22
31374MYT5	FANNIE MAE	40,582	\$40,968	0.07%	3.25%	05/01/25
31374TFV6	FANNIE MAE	7,244	\$8,024	0.01%	6.50%	10/01/28
31374WF80	FANNIE MAE	5,169	\$5,253	0.01%	3.70%	07/01/25
31375BVT1	FANNIE MAE	26,129	\$26,350	0.04%	3.79%	08/01/25
31375LDN2	FANNIE MAE	9,493	\$9,725	0.02%	3.63%	12/01/25

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31375QLC6	FANNIE MAE	20,897	\$21,102	0.03%	4.65%	07/01/26
31376B6F8	FANNIE MAE	9,841	\$10,100	0.02%	3.77%	06/01/24
31376B7B6	FANNIE MAE	133	\$134	0.00%	8.00%	07/01/26
31376FL47	FANNIE MAE	34,142	\$34,381	0.06%	3.33%	09/01/26
31376XFG8	FANNIE MAE	10,558	\$10,982	0.02%	3.56%	07/01/25
31376ZU76	FANNIE MAE	1,781	\$1,783	0.00%	4.58%	05/01/27
31377BZY4	FANNIE MAE	964	\$964	0.00%	3.75%	07/01/19
31377EG52	FANNIE MAE	46,334	\$47,031	0.08%	4.13%	04/01/27
31377H5G3	FANNIE MAE	23,734	\$23,723	0.04%	3.72%	04/01/27
31378B2Z6	FANNIE MAE	20,187	\$20,284	0.03%	4.15%	07/01/27
31378PNC3	FANNIE MAE	3,331	\$3,681	0.01%	6.50%	12/01/27
31378RVH9	FANNIE MAE	16,478	\$16,941	0.03%	4.01%	12/01/24
31378UEM0	FANNIE MAE	3,081	\$3,403	0.01%	6.50%	02/01/28
31379MD71	FANNIE MAE	24,425	\$24,600	0.04%	4.31%	07/01/38
31379MGB9	FANNIE MAE	22,900	\$23,760	0.04%	3.87%	01/01/28
31379PB43	FANNIE MAE	10,775	\$10,779	0.02%	4.15%	09/01/27
31379REN4	FANNIE MAE	2,742	\$2,758	0.00%	10.00%	04/01/21
31379RQH4	FANNIE MAE	237	\$240	0.00%	4.72%	06/01/28
31380GV89	FANNIE MAE	3,124	\$3,451	0.01%	6.50%	10/01/28
31381C6Y8	FANNIE MAE	56,850	\$57,520	0.09%	3.45%	05/01/27
31383LP90	FANNIE MAE	11,682	\$12,911	0.02%	6.50%	07/01/29
31384BXR2	FANNIE MAE	274	\$298	0.00%	7.50%	12/01/29
31384KZR0	FANNIE MAE	4,619	\$4,765	0.01%	3.38%	08/01/29
31384LWE0	FANNIE MAE	28,206	\$31,168	0.05%	6.50%	11/01/29
31384V2A9	FANNIE MAE	3,352	\$3,705	0.01%	6.50%	07/01/30
31384VYV8	FANNIE MAE	7,634	\$8,437	0.01%	6.50%	07/01/30
31384WAH3	FANNIE MAE	7,582	\$8,497	0.01%	9.50%	04/01/30
31384WGU8	FANNIE MAE	20,907	\$23,758	0.04%	6.50%	04/01/31
31384WNL0	FANNIE MAE	9,069	\$9,386	0.02%	3.13%	04/01/31
31385XQ91	FANNIE MAE	68,099	\$74,700	0.12%	5.50%	11/01/33
31385Y5K7	FANNIE MAE	246	\$266	0.00%	7.50%	11/01/30
31386EQK7	FANNIE MAE	134	\$137	0.00%	7.50%	12/01/30
31387AHS7	FANNIE MAE	23,172	\$23,220	0.04%	9.50%	11/01/29
31387CUX7	FANNIE MAE	8,305	\$8,386	0.01%	4.34%	05/01/31
31387N2M8	FANNIE MAE	21,853	\$24,644	0.04%	8.00%	07/01/31
31388BYH9	FANNIE MAE	19,869	\$20,696	0.03%	3.85%	04/01/28
31388EDR4	FANNIE MAE	7,898	\$8,918	0.01%	6.50%	09/01/31
31388PGC9	FANNIE MAE	47,406	\$48,495	0.08%	3.62%	05/01/30
31389DH83	FANNIE MAE	12,686	\$12,975	0.02%	3.53%	12/01/31
31389VUT2	FANNIE MAE	3,218	\$3,555	0.01%	6.50%	07/01/32

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31389YAS0	FANNIE MAE	9,651	\$10,667	0.02%	6.50%	08/01/32
31390HDY8	FANNIE MAE	4,913	\$5,428	0.01%	6.50%	05/01/32
31390HHP3	FANNIE MAE	28,524	\$31,509	0.05%	6.50%	08/01/32
31390JEY3	FANNIE MAE	21,939	\$24,249	0.04%	6.50%	08/01/32
31390LGN0	FANNIE MAE	12,802	\$14,147	0.02%	6.50%	07/01/32
31390PGD3	FANNIE MAE	18,980	\$21,354	0.03%	6.50%	08/01/32
31390PVL8	FANNIE MAE	26,407	\$29,187	0.05%	6.50%	07/01/32
31390Q7M1	FANNIE MAE	13,297	\$14,762	0.02%	6.50%	08/01/32
31390REG4	FANNIE MAE	613	\$677	0.00%	6.50%	07/01/32
31390S7G0	FANNIE MAE	31,388	\$34,673	0.06%	6.50%	08/01/32
31390S XK2	FANNIE MAE	14,857	\$16,419	0.03%	6.50%	08/01/32
31390TRW1	FANNIE MAE	68,007	\$75,162	0.12%	6.50%	08/01/32
31390WTD4	FANNIE MAE	45,858	\$50,363	0.08%	5.50%	10/01/33
31391BNU7	FANNIE MAE	19,447	\$19,652	0.03%	4.63%	07/01/31
31396PHM6	FANNIE MAE	85,477	\$85,489	0.14%	2.74%	02/25/37
31402DJH4	FANNIE MAE	27,743	\$28,758	0.05%	3.64%	11/01/31
31402UXP2	FANNIE MAE	100,426	\$104,886	0.17%	8.50%	11/01/26
31402VKM1	FANNIE MAE	33,849	\$36,571	0.06%	5.50%	09/01/33
31402WL89	FANNIE MAE	6,149	\$6,567	0.01%	5.50%	09/01/33
31402X4G8	FANNIE MAE	35,744	\$38,721	0.06%	5.50%	10/01/33
31402X5V4	FANNIE MAE	28,740	\$31,582	0.05%	5.50%	11/01/33
31402XD60	FANNIE MAE	65,358	\$69,794	0.11%	5.50%	10/01/33
31402XQX7	FANNIE MAE	23,040	\$24,893	0.04%	5.50%	10/01/33
31403CH79	FANNIE MAE	32,084	\$34,610	0.06%	5.50%	10/01/33
31403FHN7	FANNIE MAE	92,452	\$99,124	0.16%	5.50%	10/01/33
31403GJW3	FANNIE MAE	28,924	\$30,887	0.05%	5.50%	10/01/33
31403GMC3	FANNIE MAE	25,922	\$27,789	0.04%	5.50%	10/01/33
31403GX31	FANNIE MAE	33,014	\$35,797	0.06%	5.50%	10/01/33
31403HB82	FANNIE MAE	34,980	\$37,475	0.06%	5.50%	10/01/33
31403HK66	FANNIE MAE	19,368	\$20,683	0.03%	5.50%	10/01/33
31403LLG4	FANNIE MAE	12,642	\$13,389	0.02%	3.50%	09/01/33
31403R2F4	FANNIE MAE	38,228	\$42,338	0.07%	8.50%	11/01/28
31403YF24	FANNIE MAE	20,778	\$22,011	0.04%	3.50%	01/01/34
31404MHT8	FANNIE MAE	47,306	\$50,003	0.08%	5.00%	04/01/34
31404N4Z6	FANNIE MAE	40,722	\$43,582	0.07%	5.00%	04/01/34
31404WPZ3	FANNIE MAE	24,018	\$25,353	0.04%	4.40%	06/01/34
31405HB80	FANNIE MAE	1,902	\$1,969	0.00%	4.06%	06/01/34
31405PNC0	FANNIE MAE	465,806	\$514,051	0.83%	6.00%	10/01/34
31405RNE2	FANNIE MAE	28,498	\$29,473	0.05%	3.44%	08/01/34
31405RRN8	FANNIE MAE	260,589	\$291,165	0.47%	6.00%	10/01/34

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31405X3A9	FANNIE MAE	283,450	\$311,788	0.50%	5.50%	11/01/34
31406CGC6	FANNIE MAE	69,856	\$76,797	0.12%	5.50%	11/01/34
31406DJI1	FANNIE MAE	46,961	\$48,973	0.08%	3.89%	11/01/34
31406RDH5	FANNIE MAE	66,578	\$71,814	0.12%	6.00%	08/01/35
31406XQ47	FANNIE MAE	15,958	\$17,213	0.03%	6.00%	05/01/35
31407SDL3	FANNIE MAE	152,250	\$166,368	0.27%	6.00%	07/01/35
31407SQM7	FANNIE MAE	43,402	\$46,871	0.08%	6.00%	09/01/32
31407X4T5	FANNIE MAE	57,703	\$63,914	0.10%	5.50%	11/01/35
31407YAR0	FANNIE MAE	49,019	\$54,095	0.09%	5.50%	11/01/35
3140FXD82	FANNIE MAE	1,048,673	\$1,061,642	1.71%	3.50%	07/01/56
3140JADM7	FANNIE MAE	3,559,381	\$3,550,155	5.73%	3.00%	09/01/48
3140JAF37	FANNIE MAE	4,386,027	\$4,373,279	7.06%	3.00%	11/01/48
31410ABX3	FANNIE MAE	3,888	\$4,068	0.01%	4.37%	07/01/36
31410QGH8	FANNIE MAE	9,116	\$9,508	0.02%	3.34%	10/01/36
31411S6L5	FANNIE MAE	16,909	\$17,759	0.03%	3.85%	04/01/37
31411UE23	FANNIE MAE	12,726	\$13,197	0.02%	3.63%	04/01/37
31411UXU0	FANNIE MAE	17,444	\$18,459	0.03%	4.10%	04/01/37
31412V7C6	FANNIE MAE	10,629	\$10,822	0.02%	3.23%	04/01/37
31418CV27	FANNIE MAE	5,936,301	\$6,031,455	9.74%	3.50%	04/01/48
30711XAB0	FANNIE MAE CONNECTICUT AVENUE SECURITIES	192,507	\$217,579	0.35%	7.74%	10/25/23
30711XAC8	FANNIE MAE CONNECTICUT AVENUE SECURITIES	56,802	\$56,912	0.09%	4.09%	01/25/24
30711XAD6	FANNIE MAE CONNECTICUT AVENUE SECURITIES	250,000	\$280,061	0.45%	6.89%	01/25/24
30711XAH7	FANNIE MAE CONNECTICUT AVENUE SECURITIES	318,388	\$330,723	0.53%	5.09%	05/25/24
30711XAK0	FANNIE MAE CONNECTICUT AVENUE SECURITIES	212,999	\$226,299	0.37%	5.49%	07/25/24
30711XAP9	FANNIE MAE CONNECTICUT AVENUE SECURITIES	247,557	\$278,085	0.45%	7.39%	11/25/24
30711XAT1	FANNIE MAE CONNECTICUT AVENUE SECURITIES	176,074	\$192,114	0.31%	6.79%	02/25/25
30711XAV6	FANNIE MAE CONNECTICUT AVENUE SECURITIES	155,613	\$166,632	0.27%	7.04%	02/25/25
30711XC28	FANNIE MAE CONNECTICUT AVENUE SECURITIES	48,434	\$48,423	0.08%	3.14%	08/25/30
30711XCK8	FANNIE MAE CONNECTICUT AVENUE SECURITIES	213,615	\$215,288	0.35%	4.49%	10/25/28
30711XDP6	FANNIE MAE CONNECTICUT AVENUE SECURITIES	174,808	\$175,574	0.28%	3.79%	04/25/29
30711XEK6	FANNIE MAE CONNECTICUT AVENUE SECURITIES	367,273	\$368,812	0.60%	3.79%	07/25/29
30711XEQ3	FANNIE MAE CONNECTICUT AVENUE SECURITIES	280,000	\$328,452	0.53%	8.24%	07/25/29
30711XGK4	FANNIE MAE CONNECTICUT AVENUE SECURITIES	383,126	\$384,328	0.62%	3.64%	09/25/29

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30711XUS1	FANNIE MAE CONNECTICUT AVENUE SECURITIES	404,755	\$404,480	0.65%	3.14%	05/25/30
31283G3N5	FEDERAL HOME LOAN MORTGAGE CORP	1,168	\$1,170	0.00%	8.50%	06/01/21
31283GM53	FEDERAL HOME LOAN MORTGAGE CORP	583	\$588	0.00%	9.50%	08/01/21
31283HAZ8	FEDERAL HOME LOAN MORTGAGE CORP	889	\$1,009	0.00%	8.00%	03/01/28
31283HSW6	FEDERAL HOME LOAN MORTGAGE CORP	966	\$1,073	0.00%	6.50%	07/01/32
31283HUA1	FEDERAL HOME LOAN MORTGAGE CORP	2,925	\$3,228	0.01%	6.00%	12/01/32
31287QJ69	FEDERAL HOME LOAN MORTGAGE CORP	61,983	\$64,553	0.10%	7.50%	03/01/32
31287XBP0	FEDERAL HOME LOAN MORTGAGE CORP	12,336	\$12,356	0.02%	7.50%	08/01/32
3128FUTQ6	FEDERAL HOME LOAN MORTGAGE CORP	24,643	\$27,300	0.04%	6.50%	11/01/27
3128FY7K5	FEDERAL HOME LOAN MORTGAGE CORP	954	\$1,056	0.00%	6.50%	04/01/28
3128K6ZN3	FEDERAL HOME LOAN MORTGAGE CORP	22,712	\$24,046	0.04%	5.00%	07/01/35
3128MJ2S8	FEDERAL HOME LOAN MORTGAGE CORP	1,485,704	\$1,510,552	2.44%	3.50%	10/01/47
3128MJ3A6	FEDERAL HOME LOAN MORTGAGE CORP	4,326,114	\$4,400,162	7.11%	3.50%	12/01/47
3128MJ3T5	FEDERAL HOME LOAN MORTGAGE CORP	668,489	\$690,343	1.11%	4.00%	04/01/48
3128MJ3Y4	FEDERAL HOME LOAN MORTGAGE CORP	6,205,868	\$6,411,734	10.35%	4.00%	05/01/48
3128MJ4J6	FEDERAL HOME LOAN MORTGAGE CORP	1,032,668	\$1,066,227	1.72%	4.00%	07/01/48
3128MJ5U0	FEDERAL HOME LOAN MORTGAGE CORP	1,759,251	\$1,842,023	2.97%	4.50%	01/01/49
31292GHC3	FEDERAL HOME LOAN MORTGAGE CORP	128	\$128	0.00%	9.50%	12/01/22
31292GP59	FEDERAL HOME LOAN MORTGAGE CORP	61	\$61	0.00%	8.00%	01/01/26
31292HZM9	FEDERAL HOME LOAN MORTGAGE CORP	7,703	\$8,308	0.01%	5.00%	10/01/33
31292W3J8	FEDERAL HOME LOAN MORTGAGE CORP	433	\$469	0.00%	6.00%	07/01/28
312940AH2	FEDERAL HOME LOAN MORTGAGE CORP	471,578	\$499,633	0.81%	4.50%	04/01/40
31295VVR8	FEDERAL HOME LOAN MORTGAGE CORP	28	\$28	0.00%	9.50%	03/01/21
31296LGW5	FEDERAL HOME LOAN MORTGAGE CORP	18,092	\$18,286	0.03%	9.00%	09/01/30
31296MPS2	FEDERAL HOME LOAN MORTGAGE CORP	38,201	\$41,993	0.07%	5.50%	09/01/33
31296NY76	FEDERAL HOME LOAN MORTGAGE CORP	13,711	\$14,516	0.02%	5.00%	10/01/33

Security Identifier	Security Name	Shares/ Positions Held	Market Value	% of TNA	Coupon Rate	Maturity Date
31296P5J7	FEDERAL HOME LOAN MORTGAGE CORP	2,058	\$2,218	0.00%	5.00%	11/01/33
31296QF21	FEDERAL HOME LOAN MORTGAGE CORP	1,845	\$1,953	0.00%	5.00%	10/01/33
31297B4N9	FEDERAL HOME LOAN MORTGAGE CORP	7,888	\$8,418	0.01%	5.00%	07/01/34
31297KHX3	FEDERAL HOME LOAN MORTGAGE CORP	7,313	\$7,746	0.01%	5.00%	12/01/34
31297PCA7	FEDERAL HOME LOAN MORTGAGE CORP	6,183	\$6,631	0.01%	5.00%	03/01/35
31297X5R1	FEDERAL HOME LOAN MORTGAGE CORP	81,191	\$83,711	0.14%	8.00%	05/01/30
31298CB57	FEDERAL HOME LOAN MORTGAGE CORP	26,121	\$28,940	0.05%	6.50%	01/01/30
31298SRC0	FEDERAL HOME LOAN MORTGAGE CORP	1,876	\$1,880	0.00%	9.50%	10/01/21
3132FCA21	FEDERAL HOME LOAN MORTGAGE CORP	89,055	\$97,730	0.16%	6.00%	11/01/36
3132FCBN4	FEDERAL HOME LOAN MORTGAGE CORP	246,820	\$265,995	0.43%	5.00%	02/01/39
31335GFQ3	FEDERAL HOME LOAN MORTGAGE CORP	250	\$267	0.00%	8.00%	07/01/24
31335GMW2	FEDERAL HOME LOAN MORTGAGE CORP	106	\$113	0.00%	7.50%	01/01/26
31335GPM1	FEDERAL HOME LOAN MORTGAGE CORP	2,740	\$3,168	0.01%	8.00%	09/01/26
31335GQF5	FEDERAL HOME LOAN MORTGAGE CORP	6,395	\$7,261	0.01%	8.00%	12/01/26
33851FAC1	FLAGSTAR MORTGAGE TRUST 2018-6RR	183,618	\$186,249	0.30%	4.00%	10/25/48
3137G0BK4	FREDDIE MAC STRUCTURED AGENCY CREDIT RISK DEBT N	192,525	\$208,640	0.34%	6.49%	08/25/24
3137G0BW8	FREDDIE MAC STRUCTURED AGENCY CREDIT RISK DEBT N	247,143	\$268,210	0.43%	6.59%	08/25/24
3137G0CU1	FREDDIE MAC STRUCTURED AGENCY CREDIT RISK DEBT N	178,510	\$196,325	0.32%	7.04%	10/25/24
3137G0DF3	FREDDIE MAC STRUCTURED AGENCY CREDIT RISK DEBT N	197,567	\$219,194	0.35%	7.24%	10/25/24
3137G0FJ3	FREDDIE MAC STRUCTURED AGENCY CREDIT RISK DEBT N	250,000	\$271,105	0.44%	5.74%	05/25/25
3137G0JU4	FREDDIE MAC STRUCTURED AGENCY CREDIT RISK DEBT N	250,000	\$279,283	0.45%	7.14%	10/25/28
3137G0KB4	FREDDIE MAC STRUCTURED AGENCY CREDIT RISK DEBT N	161,926	\$164,326	0.27%	4.74%	11/25/28
3137G0AD1	FREDDIE MAC STRUCTURED AGENCY CREDIT RISK DEBT NOTE	220,758	\$241,278	0.39%	6.74%	11/25/23
3137G0DW6	FREDDIE MAC STRUCTURED AGENCY CREDIT RISK DEBT NOTE	184,272	\$197,193	0.32%	6.64%	01/25/25
3137G0EJ4	FREDDIE MAC STRUCTURED AGENCY CREDIT RISK DEBT NOTE	491,389	\$518,071	0.84%	6.29%	03/25/25
3137G0GM5	FREDDIE MAC STRUCTURED AGENCY CREDIT RISK DEBT NOTE	248,600	\$298,767	0.48%	11.29%	03/25/28

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3137G0GZ6	FREDDIE MAC STRUCTURED AGENCY CREDIT RISK DEBT NOTE	248,851	\$321,453	0.52%	11.84%	04/25/28
3137G0NE5	FREDDIE MAC STRUCTURED AGENCY CREDIT RISK DEBT NOTE	250,000	\$269,160	0.43%	6.04%	08/25/29
3137G0QQ5	FREDDIE MAC STRUCTURED AGENCY CREDIT RISK DEBT NOTE	250,000	\$256,313	0.41%	4.99%	03/25/30
30262BAL9	FREMF 2011-K11 MORTGAGE TRUST	170,000	\$173,628	0.28%	4.42%	12/25/48
30307TAG8	FREMF MORTGAGE TRUST	210,000	\$212,547	0.34%	3.99%	12/25/50
36159XAH3	GE COMMERCIAL MORTGAGE CORP TRUST	97,539	\$91,195	0.15%	5.44%	12/10/49
21H050649	GOVT NATL MORTG ASSN	2,100,000	\$2,194,130	3.54%	5.00%	04/01/49
36179UCC4	GOVT NATL MORTG ASSN	4,006,441	\$4,164,443	6.73%	4.50%	09/20/48
36201APX0	GOVT NATL MORTG ASSN	1,723	\$1,767	0.00%	7.00%	02/15/32
36201SG60	GOVT NATL MORTG ASSN	53,716	\$59,014	0.10%	6.50%	09/15/32
36202AP76	GOVT NATL MORTG ASSN	5,967	\$6,221	0.01%	7.50%	11/20/22
36202ATA5	GOVT NATL MORTG ASSN	2,249	\$2,294	0.00%	7.50%	12/20/22
36202AYU5	GOVT NATL MORTG ASSN	2,032	\$2,065	0.00%	7.50%	01/20/23
36202B4Z5	GOVT NATL MORTG ASSN	144	\$145	0.00%	9.00%	12/20/21
36202BNF8	GOVT NATL MORTG ASSN	13	\$13	0.00%	9.00%	11/20/19
36202BQ99	GOVT NATL MORTG ASSN	78	\$79	0.00%	9.00%	04/20/20
36202BSG1	GOVT NATL MORTG ASSN	3	\$3	0.00%	10.50%	06/20/20
36202BSS5	GOVT NATL MORTG ASSN	2,906	\$3,048	0.00%	7.50%	10/20/23
36202BVD4	GOVT NATL MORTG ASSN	11,835	\$12,395	0.02%	7.50%	12/20/23
36202CCG6	GOVT NATL MORTG ASSN	112	\$114	0.00%	9.00%	09/20/24
36202CDH3	GOVT NATL MORTG ASSN	70	\$70	0.00%	9.00%	11/20/24
36202CFQ1	GOVT NATL MORTG ASSN	235	\$257	0.00%	9.00%	03/20/25
36202CL92	GOVT NATL MORTG ASSN	11,333	\$11,872	0.02%	6.50%	01/20/26
36202CQX4	GOVT NATL MORTG ASSN	81	\$91	0.00%	8.00%	08/20/26
36202CWB5	GOVT NATL MORTG ASSN	10,948	\$11,521	0.02%	6.50%	06/20/27
36202DBJ9	GOVT NATL MORTG ASSN	5,882	\$6,618	0.01%	6.50%	04/20/29
36202DJR3	GOVT NATL MORTG ASSN	33,617	\$39,792	0.06%	7.50%	09/20/30
36202DKL4	GOVT NATL MORTG ASSN	13,027	\$15,361	0.02%	7.50%	11/20/30
36202DM57	GOVT NATL MORTG ASSN	26,357	\$30,403	0.05%	6.50%	05/20/31
36202DPD7	GOVT NATL MORTG ASSN	43,932	\$50,388	0.08%	6.50%	08/20/31
36202DTU5	GOVT NATL MORTG ASSN	11,955	\$13,313	0.02%	7.50%	07/20/32
36202DV40	GOVT NATL MORTG ASSN	37,399	\$42,817	0.07%	6.50%	01/20/33
36203G6K4	GOVT NATL MORTG ASSN	2,670	\$2,675	0.00%	8.50%	02/15/23
36203HAF8	GOVT NATL MORTG ASSN	665	\$696	0.00%	8.00%	02/15/23
36203LBU5	GOVT NATL MORTG ASSN	3,106	\$3,247	0.01%	7.50%	10/15/23
36203LS52	GOVT NATL MORTG ASSN	4,894	\$5,375	0.01%	6.50%	01/15/24
36204EFV4	GOVT NATL MORTG ASSN	812	\$813	0.00%	7.50%	09/15/25
36205A6L3	GOVT NATL MORTG ASSN	75	\$76	0.00%	8.50%	07/15/24

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36205HFA2	GOVT NATL MORTG ASSN	1,891	\$1,891	0.00%	8.00%	07/15/27
36206F6A5	GOVT NATL MORTG ASSN	5,058	\$5,444	0.01%	7.00%	04/15/28
36206HFY9	GOVT NATL MORTG ASSN	341	\$361	0.00%	7.00%	01/15/26
36206UM71	GOVT NATL MORTG ASSN	594	\$631	0.00%	7.50%	01/15/26
36206WB20	GOVT NATL MORTG ASSN	1,723	\$1,735	0.00%	7.50%	10/15/29
36206YMY4	GOVT NATL MORTG ASSN	675	\$676	0.00%	7.50%	05/15/26
36207DYL4	GOVT NATL MORTG ASSN	139	\$139	0.00%	7.00%	03/15/26
36207MRX6	GOVT NATL MORTG ASSN	361	\$361	0.00%	7.50%	02/15/28
36207MRZ1	GOVT NATL MORTG ASSN	580	\$591	0.00%	7.50%	02/15/28
36208FK82	GOVT NATL MORTG ASSN	3,453	\$3,721	0.01%	7.50%	03/15/28
36208HQH2	GOVT NATL MORTG ASSN	3,603	\$3,707	0.01%	8.00%	09/15/27
36208PNA2	GOVT NATL MORTG ASSN	1,595	\$1,751	0.00%	6.50%	04/15/28
36208PTR9	GOVT NATL MORTG ASSN	25,599	\$28,120	0.05%	6.50%	06/15/28
36208RFL3	GOVT NATL MORTG ASSN	1,374	\$1,410	0.00%	7.50%	01/15/28
36208V6R1	GOVT NATL MORTG ASSN	1,807	\$1,970	0.00%	7.00%	04/15/28
36208VEX9	GOVT NATL MORTG ASSN	4,958	\$4,963	0.01%	7.00%	04/15/28
36208VXW0	GOVT NATL MORTG ASSN	819	\$843	0.00%	7.50%	01/15/28
36208WBT9	GOVT NATL MORTG ASSN	2,224	\$2,226	0.00%	7.00%	05/15/28
36209ECA8	GOVT NATL MORTG ASSN	2,139	\$2,178	0.00%	7.00%	02/15/28
36209KZ92	GOVT NATL MORTG ASSN	13,116	\$13,720	0.02%	7.50%	05/15/28
36209YUT3	GOVT NATL MORTG ASSN	2,693	\$2,958	0.00%	6.50%	09/15/31
36213R6Z5	GOVT NATL MORTG ASSN	1,411	\$1,559	0.00%	6.50%	05/15/32
36223CL89	GOVT NATL MORTG ASSN	4,379	\$4,415	0.01%	8.00%	01/15/22
36223EPQ1	GOVT NATL MORTG ASSN	6,843	\$6,856	0.01%	8.25%	03/15/21
36223FZ95	GOVT NATL MORTG ASSN	2,527	\$2,532	0.00%	8.25%	05/15/21
36223LY85	GOVT NATL MORTG ASSN	7,291	\$7,307	0.01%	8.50%	10/15/21
36224DFX8	GOVT NATL MORTG ASSN	731	\$762	0.00%	8.00%	08/15/22
36224DT96	GOVT NATL MORTG ASSN	660	\$661	0.00%	7.00%	06/15/28
36224F5X4	GOVT NATL MORTG ASSN	2,558	\$2,576	0.00%	7.00%	06/15/23
36224PU55	GOVT NATL MORTG ASSN	13,645	\$13,770	0.02%	8.50%	04/15/23
36225BGW2	GOVT NATL MORTG ASSN	2,768	\$3,167	0.01%	7.00%	11/15/29
36225BL89	GOVT NATL MORTG ASSN	1,136	\$1,192	0.00%	8.00%	11/15/25
36225BMB1	GOVT NATL MORTG ASSN	2,501	\$2,700	0.00%	8.00%	12/15/25
36225BMR6	GOVT NATL MORTG ASSN	2,424	\$2,716	0.00%	8.00%	12/15/26
36225BQQ4	GOVT NATL MORTG ASSN	8,216	\$8,979	0.01%	8.00%	12/15/25
36242D3W1	GSAA HOME EQUITY TRUST 2005-6	28,092	\$28,115	0.05%	2.86%	06/25/35
362341BR9	GSAMP TRUST	33,397	\$33,481	0.05%	3.49%	06/25/35
36252HAF8	GS MORTGAGE SECURITIES TRUST	3,232,430	\$176,672	0.29%	.82%	03/10/50
22541SYL6	HOME EQUITY MORTGAGE TRUST	120,820	\$121,088	0.20%	3.46%	12/25/34
457756500	IFT MONEY MARKET PORTFOLIO	2,328,594	\$2,328,594	3.76%	N/A	N/A

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46187XAA3	INVITATION HOMES 2018-SFR4 TRUST	193,609	\$195,089	0.32%	3.58%	01/17/38
46643GAJ9	JPMBB COMMERCIAL MORTGAGE SECURITIES TRUST	250,000	\$257,691	0.42%	3.91%	11/15/47
46640MAC4	JP MORGAN MORTGAGE TRUST	206,657	\$207,497	0.34%	3.41%	07/25/43
86359DKM8	LEHMAN XS TRUST	36,077	\$35,987	0.06%	3.99%	07/25/35
55660AAF9	MADISON AVENUE MANUFACTURED HOUSING CONTRACT TRUST	4,587	\$4,609	0.01%	5.74%	03/25/32
589929F94	MERRILL LYNCH MORTGAGE INVESTORS TRUST	119,848	\$118,427	0.19%	3.23%	03/25/28
59980VAA9	MILL CITY MORTGAGE LOAN TRUST 2018-1	145,633	\$146,026	0.24%	3.25%	05/25/62
59980YAB1	MILL CITY MORTGAGE LOAN TRUST 2018-4	190,000	\$192,321	0.31%	3.50%	04/25/66
59980TAA4	MILL CITY MORTGAGE TRUST	97,964	\$97,337	0.16%	2.50%	04/25/57
61744CLV6	MORGAN STANLEY ABS CAPITAL I INC TRUST	36,859	\$36,892	0.06%	3.22%	01/25/35
67087MAA4	OBP DEPOSITOR LLC TRUST	250,000	\$253,107	0.41%	4.65%	07/15/45
67112FAD2	OBX 2018-1 TRUST	133,610	\$132,968	0.21%	3.14%	06/25/57
68245HAC8	ONE MARKET PLAZA TRUST	350,000	\$355,431	0.57%	3.85%	02/10/32
74332UAA5	PROGRESS RESIDENTIAL 2018-SFR2 TRUST	100,000	\$101,721	0.16%	3.71%	08/17/35
750496AA9	RADNOR RE 2018-1 LTD	150,000	\$149,765	0.24%	3.89%	03/25/28
76110WC61	RESIDENTIAL ASSET SECURITIES CORP	3,466	\$3,507	0.01%	4.79%	09/25/34
81746RAD1	SEQUOIA MORTGAGE TRUST 2016-2	370,830	\$371,871	0.60%	3.50%	08/25/46
89171YAL5	TOWD POINT MORTGAGE TRUST	269,930	\$268,161	0.43%	2.75%	11/25/60
89172HAK3	TOWD POINT MORTGAGE TRUST	110,134	\$109,703	0.18%	3.00%	03/25/54
89172UAA6	TOWD POINT MORTGAGE TRUST	200,820	\$197,625	0.32%	2.25%	07/25/56
89172YAA8	TOWD POINT MORTGAGE TRUST	189,082	\$186,656	0.30%	2.25%	04/25/56
89173CAA5	TOWD POINT MORTGAGE TRUST	369,612	\$364,456	0.59%	2.50%	10/25/56
89173FAA8	TOWD POINT MORTGAGE TRUST	292,136	\$289,686	0.47%	2.75%	10/25/56
89173FAB6	TOWD POINT MORTGAGE TRUST	165,000	\$164,603	0.27%	3.50%	10/25/56
89173HAA4	TOWD POINT MORTGAGE TRUST	77,309	\$76,619	0.12%	2.75%	04/25/57
89173UAA5	TOWD POINT MORTGAGE TRUST 2017-4	306,586	\$302,639	0.49%	2.75%	06/25/57
89169EAA7	TOWD POINT MORTGAGE TRUST 2017-5	94,521	\$93,977	0.15%	3.09%	02/25/57
89176EAA8	TOWD POINT MORTGAGE TRUST 2018-1	81,398	\$80,767	0.13%	3.00%	01/25/58
89175VAA1	TOWD POINT MORTGAGE TRUST 2018-2	176,579	\$176,574	0.29%	3.25%	03/25/58
89176VAK8	TOWD POINT MORTGAGE TRUST 2018-5	93,381	\$93,296	0.15%	3.25%	07/25/58
89176LAA2	TOWD POINT MORTGAGE TRUST 2018-6	150,402	\$152,640	0.25%	3.75%	03/25/58
89177BAA3	TOWD POINT MORTGAGE TRUST 2019-1	289,026	\$294,479	0.48%	3.75%	03/25/58
912810PT9	UNITED STATES TREASURY NOTE/ BOND	225,000	\$295,769	0.48%	4.75%	02/15/37
912810QL5	UNITED STATES TREASURY NOTE/ BOND	131,000	\$164,463	0.27%	4.25%	11/15/40
DDD947027	US 10YR ULTRA FUT JUN19	24	\$61,500	0.10%	N/A	06/19/19
DDD964865	US 2YR NOTE (CBT) JUN19	-6	-\$4,359	-0.01%	N/A	06/28/19

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DDD964707	US 5YR NOTE (CBT) JUN19	11	\$11,945	0.02%	N/A	06/28/19
DDD947053	US LONG BOND(CBT) JUN19	14	\$52,880	0.09%	N/A	06/19/19
DDD947039	US ULTRA BOND CBT JUN19	-1	-\$6,125	-0.01%	N/A	06/19/19
DDD632083	VARIATION MARGIN-JPMORGAN-USD	-60,950	-\$60,950	-0.10%	N/A	02/20/49
92925CBA9	WAMU MORTGAGE PASS THROUGH CERTIFICATES	180,595	\$179,746	0.29%	2.76%	12/25/45
92922FR75	WAMU MORTGAGE PASS-THROUGH CERTIFICATES	95,126	\$94,735	0.15%	3.07%	07/25/45
94982HAD9	WELLS FARGO MORTGAGE BACKED SECURITIES	109,377	\$109,814	0.18%	4.67%	10/25/33
94989UAC5	WELLS FARGO MORTGAGE BACKED SECURITIES 2018-1	125,299	\$125,953	0.20%	3.50%	07/25/47
94980QAJ8	WELLS FARGO MORTGAGE BACKED SECURITIES TRUST	61,591	\$63,440	0.10%	4.85%	11/25/34
94983CAF4	WELLS FARGO MORTGAGE BACKED SECURITIES TRUST	60,780	\$61,635	0.10%	4.80%	06/25/35
94985TBC1	WELLS FARGO MORTGAGE BACKED SECURITIES TRUST	8,493	\$8,637	0.01%	5.50%	04/25/22

Important Legal Information

- **Portfolio holdings are subject to change without notice and may not represent current or future portfolio composition.** The portfolio data is “as of” the date indicated and we disclaim any responsibility to update the information.
- The net market value of all currency forward contracts is included in cash and other net assets, reflected in the base currency of the fund. The net market value of any Credit Default, Interest Rate and/or other Swap contract positions are displayed as exposure to the issuing counterparty (i.e. "Citibank") .
- Unlike the fund’s regulatory filings, the portfolio data and its presentation in this document are not required to conform to Generally Accepted Accounting Principles (GAAP) and Securities and Exchange Commission (SEC) presentation requirements. Therefore, it differs from that in the complete statement of investments in the annual and semiannual report to shareholders filed with the SEC on Form N-CSR, and the complete statement of investments provided in the first and third quarter SEC Form N-Q filings for each fiscal year.
- The portfolio data is for information only. It does not constitute a recommendation or an offer for a particular security or fund, nor should it be taken as a solicitation or a recommendation to buy or sell securities or other investments.
- **Investors should carefully consider a fund’s investment goals, risks, charges and expenses before investing. To obtain a prospectus, which contains this and other information, talk to your financial advisor, call us at 1-800/DIAL BEN (1-800/342-5236) or visit our website at franklintempleton.com. Please read the prospectus carefully before investing. Franklin Templeton Distributors Inc., One Franklin Parkway, San Mateo, CA 94403.**



Franklin Templeton Distributors, Inc.
One Franklin Parkway
San Mateo, CA 94403
(800) DIAL BEN/342-5236
franklintempleton.com