

MARCH 31, 2014

ANNUAL REPORT  
AND SHAREHOLDER LETTER

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HYBRID

# TEMPLETON EMERGING MARKETS BALANCED FUND



FRANKLIN TEMPLETON  
INVESTMENTS

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# Franklin Templeton Investments

## Gain From Our Perspective®

Franklin Templeton's distinct multi-manager structure combines the specialized expertise of three world-class investment management groups—Franklin, Templeton and Mutual Series.

### SPECIALIZED EXPERTISE

Each of our portfolio management groups operates autonomously, relying on its own research and staying true to the unique investment disciplines that underlie its success.

**Franklin.** Founded in 1947, Franklin is a recognized leader in fixed income investing and also brings expertise in growth- and value-style U.S. equity investing.

**Templeton.** Founded in 1940, Templeton pioneered international investing and, in 1954, launched what has become the industry's oldest global fund. Today, with offices in over 25 countries, Templeton offers investors a truly global perspective.

**Mutual Series.** Founded in 1949, Mutual Series is dedicated to a unique style of value investing, searching aggressively for opportunity among what it believes are undervalued stocks, as well as arbitrage situations and distressed securities.

### TRUE DIVERSIFICATION

Because our management groups work independently and adhere to different investment approaches, Franklin, Templeton and Mutual Series funds typically have distinct portfolios. That's why our funds can be used to build truly diversified allocation plans covering every major asset class.

### RELIABILITY YOU CAN TRUST

At Franklin Templeton Investments, we continuously seek to provide investors with strong risk-adjusted returns over the long term, as well as the reliable, accurate and personal service that has helped us become one of the most trusted names in financial services.

MUTUAL FUNDS | RETIREMENT PLANS | 529 COLLEGE SAVINGS PLANS | SEPARATELY MANAGED ACCOUNTS



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## Shareholder Letter

Dear Shareholder:

The global economy grew moderately during the 12 months ended March 31, 2014, amid a generally accommodative monetary policy environment. Some concerns about potential reductions of stimulative measures contributed to market volatility during the period. Global financial liquidity remained high, however, as major developed market central banks kept interest rates low. Although investors faced concerns about moderating economic growth and geopolitical tensions in several regions, market sentiment improved near period-end. In this environment, emerging market currencies declined against the U.S. dollar and hindered the gains of emerging market bonds and stocks in U.S. dollar terms. For the 12 months ended March 31, 2014, emerging market bonds, as measured by the J.P. Morgan Emerging Markets Bond Index Global,<sup>1</sup> and emerging market stocks, as measured by the MSCI Emerging Markets Index,<sup>2</sup> declined in value, resulting partly from weak emerging market currencies.

Although the recent global environment has been challenging, we remain optimistic about many emerging market economies as they continue to show growth. Keep in mind we have navigated through past periods of economic uncertainty and market volatility by remaining committed to our long-term perspective and disciplined investment approach. First and foremost for us, this means conducting rigorous, fundamental analysis of securities with a continual emphasis on investment risk management.

Templeton Emerging Markets Balanced Fund's annual report goes into greater detail about prevailing conditions during the period under review. In addition, you will find Fund performance data, financial information and a discussion from the portfolio managers. Please remember all securities markets fluctuate, as do mutual fund share prices.

**NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE**

If you would like more frequent updates, [franklintempleton.com](http://franklintempleton.com) provides daily prices, monthly performance figures, portfolio holdings and other information. You can also access your account, buy and sell shares, read timely articles and find helpful financial planning tools. We hope you will take advantage of these online services.

Historically, patient investors have achieved rewarding results by evaluating their goals, diversifying their assets globally and maintaining a disciplined investment program, all hallmarks of the Templeton investment philosophy developed more than 50 years ago. We continue to recommend investors consult their financial advisors and review their portfolios to design a long-term strategy and portfolio allocation that meet their individual needs, goals and risk tolerance. We firmly believe most people benefit from professional advice and that advice is invaluable as investors navigate changing market environments.

We thank you for investing with Franklin Templeton, welcome your questions and comments, and look forward to serving your investment needs in the years ahead.

Sincerely,

A handwritten signature in black ink, appearing to read 'Norman J. Boersma', with a long horizontal flourish extending to the right.

Norman J. Boersma, CFA  
President and Chief Executive Officer – Investment Management  
Templeton Global Investment Trust

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**This letter reflects our analysis and opinions as of March 31, 2014. The information is not a complete analysis of every aspect of any market, country, industry, security or fund. Statements of fact are from sources considered reliable.**

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# Annual Report

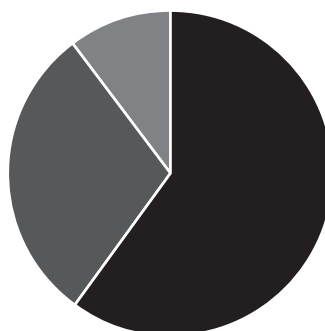
## Templeton Emerging Markets Balanced Fund

**Your Fund's Goal and Main Investments:** The Fund seeks both income and capital appreciation. Under normal market conditions, the Fund invests at least 80% of its net assets plus any borrowings in a diversified portfolio of equity securities and fixed and floating rate debt obligations issued by governments, government-related entities and corporate entities that are located, incorporated or have significant business activities in or are impacted by economic developments in developing or emerging market countries. The Fund normally invests at least 25% of its net assets in equity securities and at least 25% of its net assets in fixed income senior securities.

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### Asset Allocation

Based on Total Net Assets as of 3/31/14



■ Equity .....	60.1%
■ Fixed Income .....	29.7%
■ Short-Term Investments & Other Net Assets .....	10.2%

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This annual report for Templeton Emerging Markets Balanced Fund covers the fiscal year ended March 31, 2014.

### Economic and Market Overview

The 12 months under review were characterized by growth in emerging markets and a continued economic recovery in developed markets. Although several emerging market countries faced headwinds such as soft domestic

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Statement of Investments (SOI). The SOI begins on page 24.

demand, weak exports and political unrest, emerging market economies overall continued to grow faster than developed market economies. China's economic growth moderated, resulting largely from slower growth in industrial production, fixed asset investment and exports. However, retail sales continued to grow as household income increased rapidly. Domestic demand continued to account for a greater portion of gross domestic product, indicating that policymakers' efforts to make China's economy more consumer driven and less reliant on exports and debt-fueled investments gained traction. Although such economic restructuring resulted in near-term challenges, we think it could potentially lead to more sustainable, robust growth in the long term. Other economies that showed signs of moderation included those of Russia, India and Indonesia, while several economies, including those of Brazil, South Korea and Turkey, showed signs of improvement.

Central bank actions varied across emerging markets. Several central banks, including those of South Korea, Mexico and Thailand, lowered benchmark interest rates in an effort to boost economic growth. However, other central banks, including those of Brazil, India, Turkey and Russia, raised interest rates in an effort to control inflation and support their currencies. Despite high inflation in several emerging market countries, inflation levels in many other countries were relatively low, potentially giving their central banks room to support economic growth.

Emerging market equities underperformed their developed market counterparts during the period, as many investors seemed to focus more on headline news and the fiscal and monetary policies in major economies and less on the fundamental strength of many emerging market economies and equities. Emerging markets recovered from a sharp sell-off in May and June 2013, resulting from fears about a spike in China's interbank rates and the U.S. Federal Reserve Board's (Fed's) potential tapering of its asset-purchase program. Concerns about potential U.S. military intervention in Syria also weighed on markets, but investor confidence rose as tension was defused and as the Fed delayed tapering its asset-purchase program. Emerging markets experienced heightened volatility later in the period as investors grew concerned about the Fed's reduction of its monthly asset purchases beginning in January 2014, China's moderating economic growth, the sharp devaluation of several emerging market currencies, and political unrest in Thailand, Turkey and Ukraine. Further pressuring emerging market stocks was the People's Bank of China's (PBOC's) liquidity tightening to curb lending by banks and non-bank institutions, although the PBOC provided temporary liquidity at times. However, expectations for an economic stimulus package from China, optimism about the outcome of the upcoming elections in Indonesia, India and Turkey, and de-escalation of the geopolitical tension between Russia and Ukraine helped stock prices recover near period-end.



### What is a currency forward contract?

A currency forward contract is an agreement between the Fund and a counterparty to buy or sell a foreign currency at a specific exchange rate on a future date.

### What is a futures contract?

A futures contract is an agreement between the Fund and a counterparty made through a U.S. or foreign futures exchange to buy or sell an asset for a specific price on a future date.

For the 12 months ended March 31, 2014, the MSCI Emerging Markets (EM) Index, which measures stock performance in emerging markets, had a -1.07% total return in U.S. dollar terms, as weaker emerging market currencies hindered returns.<sup>1, 2</sup> The J.P. Morgan (JPM) Emerging Markets Bond Index (EMBI) Global, which measures performance of U.S. dollar-denominated emerging markets bonds, had a -1.05% total return for the same period.<sup>1, 3</sup> Among emerging market stocks, Asia generated gains, driven by solid performances in Taiwan, Malaysia, India and South Korea. In Europe, Russia posted a large decline as its annexation of Crimea caused tension with Ukraine, Europe and the U.S. Elsewhere in Europe, Turkey also posted a large loss while Greece, Poland and the Czech Republic delivered strong gains. Latin American stocks were among the worst performers, partly because of generally weak commodity prices and local currencies. Among emerging market sovereign bond markets, Middle East and Africa generated gains. Latin America was the worst performer, with Asia and Europe ending the period relatively flat.

## Investment Strategy

When choosing equity investments for the Fund, we apply a fundamental research, value-oriented, long-term approach, focusing on the market price of a company's securities relative to our evaluation of the company's long-term earnings, asset value and cash flow potential. We also consider a company's profit and loss outlook, balance sheet strength, cash flow trends and asset value in relation to the current price.

When choosing fixed income investments for the Fund, we allocate the Fund's assets based upon our assessment of changing market, political and economic conditions. We will consider various factors, including evaluation of interest and currency exchange rate changes and credit risks. We may regularly enter into currency-related transactions involving certain derivative instruments, including currency and cross currency forwards, and currency and currency index futures contracts, to provide a hedge against risks associated with other fixed income securities held in the Fund or to implement a currency investment strategy.

## Performance Overview

Templeton Emerging Markets Balanced Fund – Class A had a cumulative total return of -8.27% for the 12 months ended March 31, 2014. For comparison, an equally weighted combination of the MSCI EM Index<sup>1, 2</sup> and the JPM EMBI Global<sup>1, 3</sup> had a -0.90% total return for the same period.<sup>1, 4</sup> Please note index performance information is provided for reference and we do not attempt to track any index but rather undertake investments on the basis of

*Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. Please visit [franklintempleton.com](http://franklintempleton.com) or call (800) 342-5236 for most recent month-end performance.*



fundamental research. In addition, the Fund's return reflects the effect of fees and expenses for professional management, while an index does not have such costs. You can find more of the Fund's performance data in the Performance Summary beginning on page 13.

## Manager's Discussion

We continued to allocate in favor of equities during the fiscal year as we sought to take advantage of valuation opportunities within emerging market equities. Within fixed income, we remain encouraged by the growth prospects and low indebtedness of many emerging market countries.

### Equity

During the 12 months under review, key contributors to the Fund's absolute performance included United Bank, one of Pakistan's largest banks in terms of assets and deposits; Brilliance China Automotive Holdings, one of China's major automobile manufacturers; and Infosys, one of India's leading information technology (IT) consulting companies.

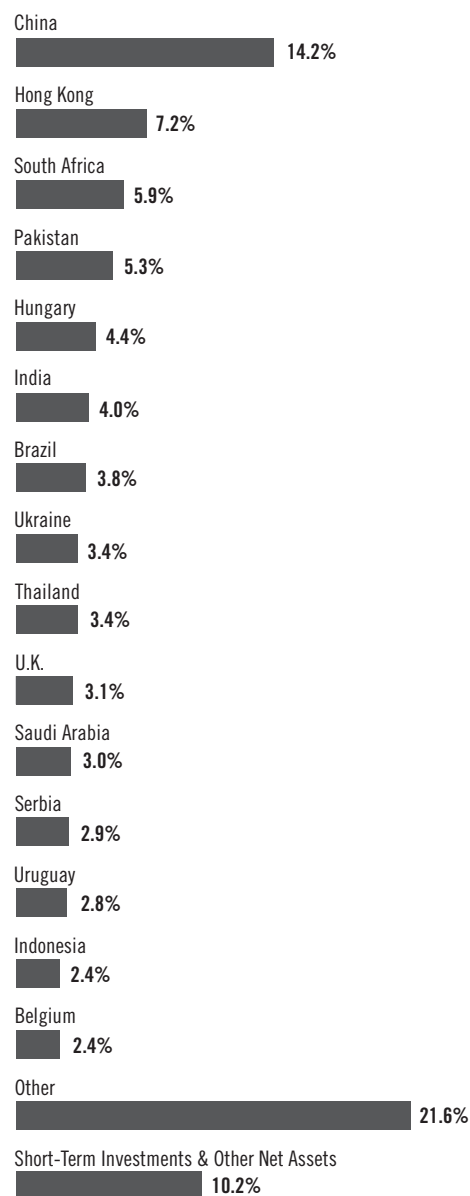
United Bank benefited from a high net interest margin because of its high proportion of low-cost deposits and from positive investor sentiment in Pakistan following the election of opposition leader Nawaz Sharif as prime minister. The new government is more open to efforts by United Bank and other banks to expand overseas or acquire domestic banks to consolidate the industry. In our view, higher lending rates, investment yields and loan growth, combined with low credit cost, could boost United Bank's earnings growth. A strong banking franchise, valuations we considered to be attractive, an improving domestic business and a large international presence, especially in the Middle East, could support the bank's long-term performance.

Brilliance China Automotive, which has a joint venture with German luxury car maker BMW for the production and sale of BMW 3-series and 5-series cars and X1 compact sport utility vehicles in China, generated strong sales volume and earnings. The company remained a beneficiary of China's luxury automobile market growth, driven by China's expanding middle class. We believe that Brilliance China's capacity expansion, strong brand recognition, product pipeline and business execution could allow the automaker to continue enjoying higher demand for its products and increasing its market share.

Infosys has an extensive global exposure and a comprehensive range of services that, in our view, position it well to potentially benefit from the global IT outsourcing industry's continued growth. The return of its founder and former chairman as executive chairman boosted investor confidence in Infosys. Additionally, the company benefited from the rupee's weakness against major

## Geographic Breakdown

Based on Total Net Assets as of 3/31/14



## Top Five Equity Holdings

3/31/14

Company Sector/Industry, Country	% of Total Net Assets
United Bank Ltd. <i>Banks, Pakistan</i>	5.3%
Brilliance China Automotive Holdings Ltd. <i>Automobiles, China</i>	4.2%
Infosys Ltd., ADR <i>IT Services, India</i>	4.0%
Remgro Ltd. <i>Diversified Financial Services, South Africa</i>	3.1%
Unilever PLC <i>Food Products, U.K.</i>	3.1%

currencies such as the U.S. dollar and the euro, as its costs are mainly in rupees, while its revenues are primarily based in foreign currencies. The Indian equity market's overall strength further supported the company's share price.

In contrast, key detractors from the Fund's absolute performance included Bank Danamon Indonesia, one of the country's largest banks; Yitai Coal (Inner Mongolia Yitai Coal), one of China's biggest coal producers; and South Africa-based Impala Platinum Holdings, a leading global platinum producer.

Bank Danamon Indonesia, in our view, could potentially benefit from the country's economic growth and the rising middle class's increasing demand for financial products. The bank's share price declined as regulatory hurdles led Singapore-based DBS Group Holdings to abandon its bid for a controlling stake and as the Indonesian equity market remained weak because of fears that the Fed's tapering of its asset-purchase program could further weaken Indonesia's current account position. We believe that Bank Danamon, which has one of Indonesia's largest distribution networks, remains well positioned to potentially benefit from the country's growing, underserved banking sector. The Fund's holdings in Indonesia rose in value during the period's final quarter, offsetting some of the earlier losses, as the country's equity market and currency rallied because of encouraging economic reports and investor optimism that the upcoming elections would result in a reformist government.

Yitai Coal's 2013 output totaled about 46 million tons. In addition to producing high-quality thermal coal, the company holds a diverse business portfolio that includes coal-to-oil conversion technology, railway transportation, pharmaceuticals and solar power generation. Its share price declined because of lower 2013 revenues and earnings resulting from weaker sales volume and average coal price. Further weighing on investor sentiment was the Chinese government's plan to reduce air pollution by encouraging alternative, cleaner energy sources such as natural gas and wind power, which could dampen coal demand. We closed the Fund's position in the company during the period.

Impala Platinum, which has operations in South Africa and Zimbabwe, was negatively affected by operational issues including lower platinum production in the second half of 2013, regulatory uncertainties in Zimbabwe and industry-wide labor strikes. The company's decision not to declare an interim dividend because of the industrial relations climate and to protect its cash reserves amid lower platinum prices also hurt investor confidence. We closed the Fund's position in the company during the period.

It is important to recognize the effect of currency movements on the Fund's performance. In general, if the value of the U.S. dollar goes up compared with a foreign currency, an investment traded in that foreign currency will go down in value because it will be worth fewer U.S. dollars. This can have a negative effect

on Fund performance. Conversely, when the U.S. dollar weakens in relation to a foreign currency, an investment traded in that foreign currency will increase in value, which can contribute to Fund performance. For the 12 months ended March 31, 2014, the U.S. dollar rose in value relative to most currencies. As a result, performance of the Fund's equity portion was negatively affected by the portfolio's investment predominantly in securities with non-U.S. currency exposure.

During the period, our continued search for what we considered to be undervalued companies with attractive fundamentals led us to increase the Fund's holdings largely in South Africa, Hong Kong and China via China H and Red Chip shares,<sup>5</sup> and initiate positions in several markets, including Saudi Arabia<sup>6</sup> and Taiwan. We also made some purchases in the U.K., Belgium and Switzerland as we identified companies listed in these developed countries with significant emerging market operations and were therefore positioned to potentially benefit from stronger personal income and consumer demand growth in emerging market countries. Some of our largest purchases were in hotels, restaurants and leisure; food products; beverages; Internet software and services; wireless telecommunication services; and marine transportation companies. Key purchases included new positions in Remgro, a major South African conglomerate engaged in a broad range of businesses including financial services, medical services, food, petroleum products, media and technology; U.K.-listed Unilever, a global consumer products company with operations in foods, refreshment, home care and personal care; and Mobily (Etihad Etisalat),<sup>6</sup> one of Saudi Arabia's leading mobile services providers.

Conversely, we undertook some sales as we sought to invest in companies we considered to be more attractively valued within our investment universe. We closed the Fund's position in South Korea and trimmed holdings largely in Russia, Brazil and India. As a result, we reduced the Fund's investments in oil, gas and consumable fuels companies; metals and mining companies; and banks. Key sales included a reduction of the Fund's investment in Russia-based Gazprom, the world's largest natural gas producer, and elimination of positions in Reliance Industries, an Indian integrated petrochemical company, and Tata Steel, an Indian steel company.

### **Fixed Income**

During the period under review, spreads widened between yields on sovereign credits and assets considered safer, such as U.S. Treasuries. U.S. dollar-denominated emerging market debt had a -1.05% total return for the 12-month period, as measured by the JPM EMBI Global.<sup>1,3</sup> Overall, sovereign credit yield spreads over Treasuries widened 17 basis points (bps; 100 bps equal one percentage point).<sup>3</sup> Regionally, the Middle East generated a +5.68% total return and Africa +2.45%, while Europe had a -0.21% total

## Top Five Fixed Income Holdings\*

3/31/14

Issue/Issuer	% of Total Net Assets
Government of Hungary	4.4%
Serbia Treasury Note	2.3%
Government of Sri Lanka	2.3%
Government of Poland	2.2%
Government of Ukraine	1.7%

\*Excludes short-term investments.

### What is duration?

Duration is a measure of a bond's price sensitivity to interest rate changes. In general, a portfolio of securities with a lower duration can be expected to be less sensitive to interest rate changes than a portfolio with a higher duration.

return, Asia -0.99% and Latin America -2.59%, as measured by the subindexes of the JPM EMBI Global.<sup>3</sup> Meanwhile, the 10-year U.S. Treasury yield increased 86 bps. Overall, the Fund's sovereign credit exposures contributed to absolute performance.

We maintained the Fund's defensive duration posture during the period as policymakers in the G-3 (U.S., eurozone, Japan), the U.K. and Switzerland implemented historically accommodative monetary policies. Benchmark interest rates in the U.S. and Japan remained at historically low levels, developed market central banks supplied significant liquidity to the financial sector and fiscal deficits drove record funding needs. The Fund maintained little duration exposure in emerging markets, except in select countries where rates were already quite high. Nevertheless, select duration exposures in Asia ex-Japan contributed to performance.

The Fund's diversified currency exposure detracted from absolute performance during the period. As part of the Fund's investment strategy, we used currency forward contracts to limit or add exposure to various currencies. The U.S. dollar was broadly stronger and rose 1.32% against the currencies of major U.S. trading partners during the 12-month period.<sup>7</sup> The Japanese yen depreciated 8.71% against the U.S. dollar during the fiscal year under review.<sup>8</sup>

Overall, the Fund's exposure to currencies in Asia ex-Japan detracted from absolute performance. Central banks in the Philippines and Malaysia kept their policy rates constant, while those in Australia and South Korea cut rates during the period. Central banks in India and Indonesia hiked rates. For the 12-month period, the Philippine peso depreciated 9.00%, the Malaysian ringgit fell 5.18% and the Australian dollar lost 11.10%, while the South Korean won strengthened 4.52% against the U.S. dollar.<sup>8</sup> The Indian rupee declined 9.00% and the Indonesian rupiah depreciated 14.46% against the U.S. dollar.<sup>8</sup>

The euro appreciated 7.33% against the U.S. dollar during the period.<sup>8</sup> In addition, other European currencies appreciated against the U.S. dollar. For example, the Hungarian forint rose 6.28% and the Polish zloty appreciated 7.65%.<sup>8</sup> The Fund's holdings in peripheral European currencies positioned against the euro detracted from performance during the period.

Exposure to Latin American currencies detracted from Fund performance. Economic growth in much of the region continued to be supported by domestic and external demand. Central banks in Chile and Mexico cut their policy rates, while Brazil's central bank raised rates. The Brazilian real depreciated 10.64% against the U.S. dollar, while the Chilean peso fell 14.34% and the Mexican peso declined 5.44%.<sup>8</sup>

In addition to purchasing global government bonds, the Fund also invested in the credit sector. As an asset class, such investments may compensate for greater credit risk by offering higher yields relative to U.S. Treasury and European benchmark bonds. The Fund's overall credit positioning was largely neutral for performance.

Thank you for your participation in Templeton Emerging Markets Balanced Fund. We look forward to serving your future investment needs.



A handwritten signature in black ink that reads "Mark Mobius".

Mark Mobius



A handwritten signature in black ink that reads "Michael Hasenstab".

Michael Hasenstab, Ph.D.

Dennis Lim  
Tom Wu  
Allan Lam  
Laura Burakreis

Portfolio Management Team  
Templeton Emerging Markets Balanced Fund

The foregoing information reflects our analysis, opinions and portfolio holdings as of March 31, 2014, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

The index is unmanaged and includes reinvestment of any income or distributions. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio.

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4. The Fund's blended benchmark is currently weighted 50% for the MSCI EM Index and 50% for the JPM EMBI Global and is rebalanced monthly. For the 12 months ended 3/31/14, the MSCI EM Index had a -1.07% total return and the JPM EMBI Global had a -1.05% total return.

5. "China H" denotes shares of China-incorporated, Hong Kong Stock Exchange-listed companies with most businesses in China. "Red Chip" denotes shares of Hong Kong Stock Exchange-listed companies substantially owned by Chinese mainland state entities, with significant exposure to China.

6. Investments were made through participatory notes, which are equity access products structured as debt obligations and are issued or backed by banks and broker-dealers and designed to replicate equity market exposure in frontier markets where direct investment is either impossible or difficult due to local investment restrictions.

7. Source: Federal Reserve H.10 Report.

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# Performance Summary as of 3/31/14

## Templeton Emerging Markets Balanced Fund

Your dividend income will vary depending on dividends or interest paid by securities in the Fund's portfolio, adjusted for operating expenses of each class. Capital gain distributions are net profits realized from the sale of portfolio securities. The performance table and graphs do not reflect any taxes that a shareholder would pay on Fund dividends, capital gain distributions, if any, or any realized gains on the sale of Fund shares. Total return reflects reinvestment of the Fund's dividends and capital gain distributions, if any, and any unrealized gains or losses.

## Net Asset Value

Share Class	3/31/14	3/31/13	Change
A (TAEMX)	\$10.10	\$11.38	-\$1.28
C (n/a)	\$10.03	\$11.32	-\$1.29
R (n/a)	\$10.09	\$11.37	-\$1.28
Advisor (TZEMX)	\$10.11	\$11.40	-\$1.29

## Distributions

Share Class	Dividend Income	Long-Term Capital Gain	Total
A (4/1/13–3/31/14)	\$0.3135	\$0.0087	\$0.3222
C (4/1/13–3/31/14)	\$0.2515	\$0.0087	\$0.2602
R (4/1/13–3/31/14)	\$0.2945	\$0.0087	\$0.3032
Advisor (4/1/13–3/31/14)	\$0.3444	\$0.0087	\$0.3531



# Performance Summary *(continued)*

## Performance as of 3/31/14<sup>1</sup>

Cumulative total return excludes sales charges. Average annual total return and value of \$10,000 investment include maximum sales charges.

**Class A:** 5.75% maximum initial sales charge; **Class C:** 1% contingent deferred sales charge in first year only; **Class R/Advisor Class:** no sales charges.

Share Class	Cumulative Total Return <sup>2</sup>	Average Annual Total Return <sup>3</sup>	Value of \$10,000 Investment <sup>4</sup>	Total Annual Operating Expenses <sup>5</sup>	
				(with waiver)	(without waiver)
<b>A</b>				1.45%	2.11%
1-Year	-8.27%	-13.52%	\$8,648		
Since Inception (10/3/11)	+8.68%	+0.97%	\$10,243		
<b>C</b>				2.24%	2.90%
1-Year	-8.96%	-9.85%	\$9,015		
Since Inception (10/3/11)	+6.59%	+2.59%	\$10,659		
<b>R</b>				1.74%	2.40%
1-Year	-8.45%	-8.45%	\$9,155		
Since Inception (10/3/11)	+7.97%	+3.12%	\$10,797		
<b>Advisor Class</b>				1.24%	1.90%
1-Year	-8.07%	-8.07%	\$9,193		
Since Inception (10/3/11)	+9.29%	+3.63%	\$10,929		

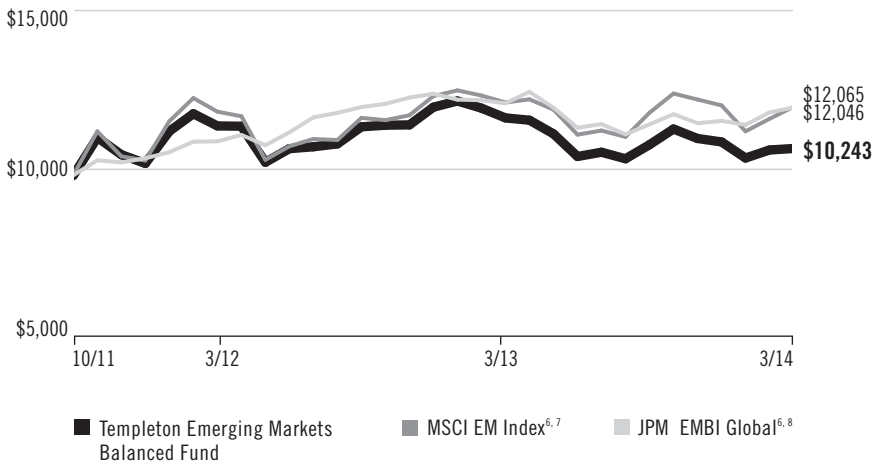
Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. For most recent month-end performance, go to [franklintempleton.com](http://franklintempleton.com) or call (800) 342-5236.

# Performance Summary *(continued)*

## Total Return Index Comparison for a Hypothetical \$10,000 Investment<sup>1</sup>

Total return represents the change in value of an investment over the periods shown. It includes any current, applicable, maximum sales charge, Fund expenses, account fees and reinvested distributions. The unmanaged index includes reinvestment of any income or distributions. It differs from the Fund in composition and does not pay management fees or expenses. One cannot invest directly in an index.

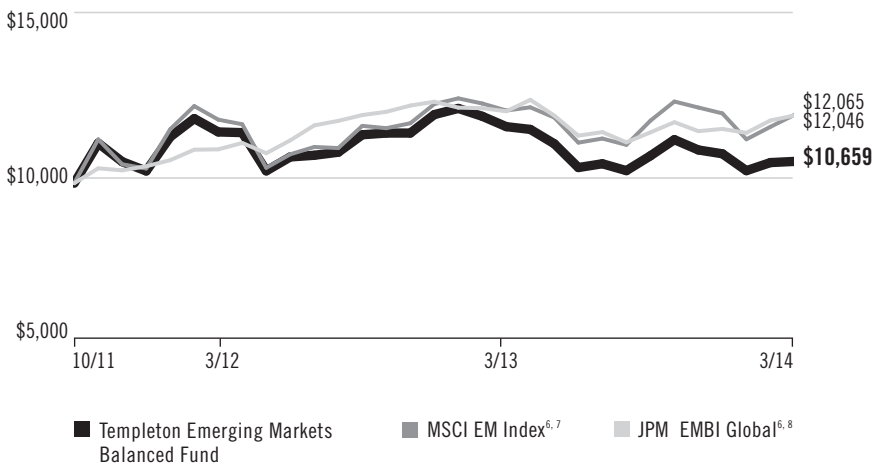
### Class A (10/3/11–3/31/14)



### Average Annual Total Return

Class A	3/31/14
1-Year	-13.52%
Since Inception (10/3/11)	+0.97%

### Class C (10/3/11–3/31/14)



### Average Annual Total Return

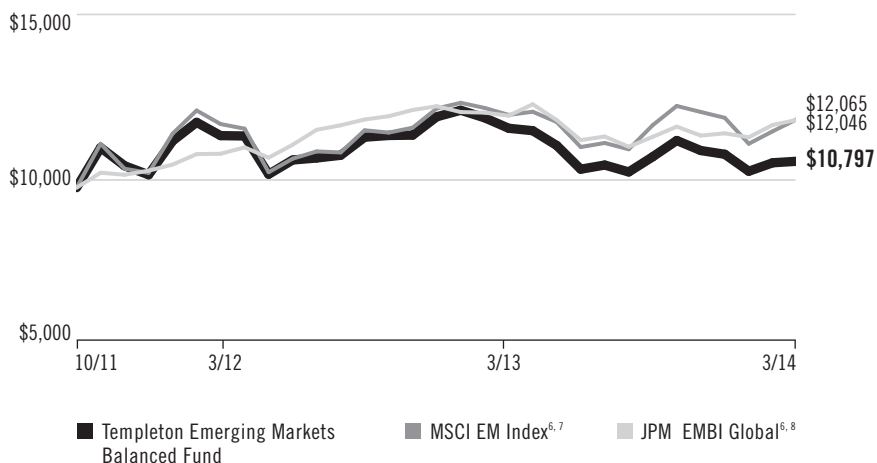
Class C	3/31/14
1-Year	-9.85%
Since Inception (10/3/11)	+2.59%

# Performance Summary *(continued)*

## Average Annual Total Return

Class R	3/31/14
1-Year	-8.45%
Since Inception (10/3/11)	+3.12%

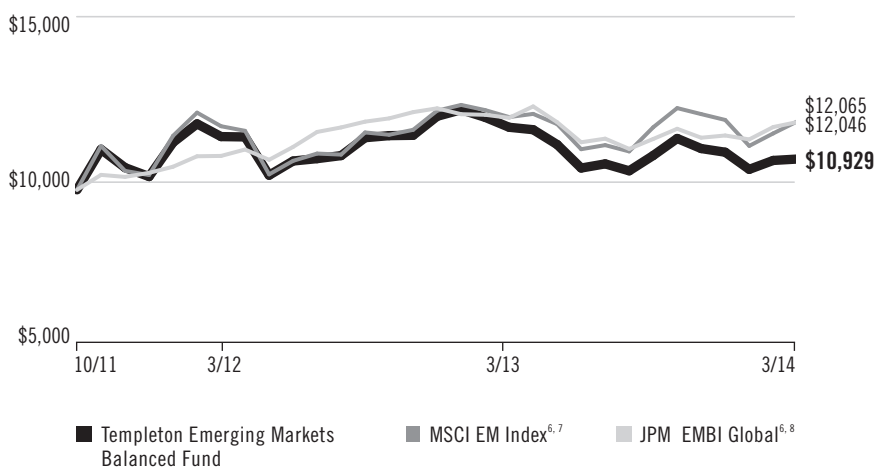
## Class R (10/3/11–3/31/14)



## Average Annual Total Return

Advisor Class	3/31/14
1-Year	-8.07%
Since Inception (10/3/11)	+3.63%

## Advisor Class (10/3/11–3/31/14)



# Performance Summary *(continued)*

All investments involve risks, including possible loss of principal. Stock prices fluctuate, sometimes rapidly and dramatically, due to factors affecting individual companies, particular industries or sectors, or general market conditions. Bond prices generally move in the opposite direction of interest rates. Thus, as prices of bonds in the Fund adjust to a rise in interest rates, the Fund's share price may decline. Special risks are associated with foreign investing, including currency fluctuations, economic instability and political developments. Investments in emerging markets, of which frontier markets are a subset, involve heightened risks related to the same factors, in addition to those associated with these markets' smaller size, lesser liquidity and lack of established legal, political, business and social frameworks to support securities markets. Because these frameworks are typically even less developed in frontier markets, as well as various factors including the increased potential for extreme price volatility, illiquidity, trade barriers and exchange controls, the risks associated with emerging markets are magnified in frontier markets. Smaller company stocks have historically exhibited greater price volatility than large company stocks, particularly over the short term. The risks associated with higher yielding, lower rated securities include higher risks of default and loss of principal. The Fund's investments in derivative securities, such as swaps, financial futures and options contracts, and use of foreign currency techniques involve special risks, as such techniques may not achieve the anticipated benefits and/or may result in losses to the Fund. To the extent the Fund focuses on particular countries, regions, industries, sectors or types of investment from time to time, it may be subject to greater risks of adverse developments in such areas of focus than a fund that invests in a wider variety of countries, regions, industries, sectors or investments. The Fund is actively managed but there is no guarantee that the manager's investment decisions will produce the desired results. The Fund's prospectus also includes a description of the main investment risks.

**Class C:** These shares have higher annual fees and expenses than Class A shares.

**Class R:** Shares are available to certain eligible investors as described in the prospectus. These shares have higher annual fees and expenses than Class A shares.

**Advisor Class:** Shares are available to certain eligible investors as described in the prospectus.

1. The Fund has an expense reduction contractually guaranteed through at least 7/31/14 and a fee waiver associated with its investments in a Franklin Templeton money fund, contractually guaranteed through at least its current fiscal year-end. Fund investment results reflect the expense reduction and fee waiver, to the extent applicable; without these reductions, the results would have been lower.
2. Cumulative total return represents the change in value of an investment over the periods indicated.
3. Average annual total return represents the average annual change in value of an investment over the periods indicated.
4. These figures represent the value of a hypothetical \$10,000 investment in the Fund over the periods indicated.
5. Figures are as stated in the Fund's current prospectus. In periods of market volatility, assets may decline significantly, causing total annual Fund operating expenses to become higher than the figures shown.
6. Source: © 2014 Morningstar. The MSCI EM Index is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global emerging markets. The JPM EMBI Global tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans and Eurobonds.
7. Source: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed or produced by MSCI.
8. Source: J.P. Morgan. Copyright 2014. JPMorgan Chase & Co. All rights reserved. J.P. Morgan is the marketing name for JPMorgan Chase & Co., and its subsidiaries and affiliates worldwide. Templeton Emerging Markets Balanced Fund ("the Fund") is not sponsored, endorsed, sold or promoted by J.P. Morgan. The JPM EMBI Global ("the Index") is created based on stated, established rules. The creation or use of the Index does not constitute a recommendation by J.P. Morgan of the Fund or a trade recommendation by J.P. Morgan. J.P. Morgan makes no representation or warranty, express or implied, with respect to the Fund, or the advisability of investing in securities generally, or in the Fund particularly, or the ability of the Index to track bond market performance. J.P. Morgan has no obligation to take the needs of the prospective purchasers or owners of the Fund into consideration in determining, composing or calculating the Indices. J.P. Morgan is not responsible for and has not participated in the determination of the timing of, prices at, or quantities of the Fund. J.P. Morgan has no obligation or liability in connection with the administration, marketing or trading of the Fund. THE INDEX IS PROVIDED "AS IS" WITH ANY AND ALL FAULTS. J.P. MORGAN DOES NOT GUARANTEE THE AVAILABILITY, SEQUENCE, TIMELINESS, QUALITY, ACCURACY AND/OR THE COMPLETENESS OF THE INDEX AND/OR ANY DATA INCLUDED THEREIN, OR FROM ANY USE OF THE INDEX. J.P. MORGAN MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OF FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN, OR FROM ANY USE OF THE INDEX. THERE ARE NO REPRESENTATIONS OR WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE OF THIS DOCUMENT, IF ANY. ALL WARRANTIES AND REPRESENTATIONS OF ANY KIND WITH REGARD TO THE INDEX ARE DISCLAIMED INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, QUALITY, ACCURACY, FITNESS FOR A PARTICULAR PURPOSE AND/OR AGAINST INFRINGEMENT AND/OR WARRANTIES AS TO ANY RESULTS TO BE OBTAINED BY AND/OR FROM THE USE OF THE INDEX. WITHOUT LIMITING ANY OF THE FOREGOING, TO THE FULLEST EXTENT PERMITTED BY LAW, IN NO EVENT SHALL J.P. MORGAN HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, DIRECT, INDIRECT, OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PRINCIPAL AND/OR LOST PROFITS, IN CONNECTION WITH THE INDEX AND/OR THE FUND EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

# Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs:

- Transaction costs, including sales charges (loads) on Fund purchases; and
- Ongoing Fund costs, including management fees, distribution and service (12b-1) fees, and other Fund expenses. All mutual funds have ongoing costs, sometimes referred to as operating expenses.

The following table shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other mutual funds. The table assumes a \$1,000 investment held for the six months indicated.

## Actual Fund Expenses

The first line (Actual) for each share class listed in the table provides actual account values and expenses. The “Ending Account Value” is derived from the Fund’s actual return, which includes the effect of Fund expenses.

You can estimate the expenses you paid during the period by following these steps. *Of course, your account value and expenses will differ from those in this illustration:*

1. Divide your account value by \$1,000.  
*If an account had an \$8,600 value, then  $\$8,600 \div \$1,000 = 8.6$ .*
2. Multiply the result by the number under the heading “Expenses Paid During Period.”  
*If Expenses Paid During Period were \$7.50, then  $8.6 \times \$7.50 = \$64.50$ .*

In this illustration, the estimated expenses paid this period are \$64.50.

## Hypothetical Example for Comparison with Other Funds

Information in the second line (Hypothetical) for each class in the table can help you compare ongoing costs of investing in the Fund with those of other mutual funds. This information may not be used to estimate the actual ending account balance or expenses you paid during the period. The hypothetical “Ending Account Value” is based on the actual expense ratio for each class and an assumed 5% annual rate of return before expenses, which does not represent the Fund’s actual return. The figure under the heading “Expenses Paid During Period” shows the hypothetical expenses your account would have incurred under this scenario. You can compare this figure with the 5% hypothetical examples that appear in shareholder reports of other funds.

## Your Fund's Expenses *(continued)*

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transaction costs, such as sales charges. Therefore, the second line for each class is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transaction costs were included, your total costs would have been higher. Please refer to the Fund prospectus for additional information on operating expenses.

Share Class	Beginning Account Value 10/1/13	Ending Account Value 3/31/14	Expenses Paid During Period* 10/1/13–3/31/14
<b>A</b>			
Actual	\$1,000	\$ 989.00	\$ 7.64
Hypothetical (5% return before expenses)	\$1,000	\$1,017.25	\$ 7.75
<b>C</b>			
Actual	\$1,000	\$ 984.50	\$11.03
Hypothetical (5% return before expenses)	\$1,000	\$1,013.81	\$11.20
<b>R</b>			
Actual	\$1,000	\$ 987.50	\$ 8.57
Hypothetical (5% return before expenses)	\$1,000	\$1,016.31	\$ 8.70
<b>Advisor</b>			
Actual	\$1,000	\$ 990.30	\$ 6.10
Hypothetical (5% return before expenses)	\$1,000	\$1,018.80	\$ 6.19

\*Expenses are calculated using the most recent six-month expense ratio, net of expense waivers, annualized for each class (A: 1.54%; C: 2.23%; R: 1.73%; and Advisor: 1.23%), multiplied by the average account value over the period, multiplied by 182/365 to reflect the one-half year period.

# Templeton Global Investment Trust

## Financial Highlights

### Templeton Emerging Markets Balanced Fund

Class A	Year Ended March 31,		
	2014	2013	2012 <sup>a</sup>
<b>Per share operating performance</b> (for a share outstanding throughout the year)			
Net asset value, beginning of year	\$11.38	\$11.53	\$10.00
Income from investment operations <sup>b</sup> :			
Net investment income <sup>c</sup>	0.36	0.34	0.12
Net realized and unrealized gains (losses)	(1.32)	(0.08)	1.47
Total from investment operations	(0.96)	0.26	1.59
Less distributions from:			
Net investment income	(0.31)	(0.41)	(0.06)
Net realized gains	(0.01)	(—) <sup>d</sup>	—
Total distributions	(0.32)	(0.41)	(0.06)
Net asset value, end of year	\$10.10	\$11.38	\$11.53
Total return <sup>e</sup>	(8.27)%	2.21%	15.92%
<b>Ratios to average net assets<sup>f</sup></b>			
Expenses before waiver and payments by affiliates	2.04%	2.09%	2.43%
Expenses net of waiver and payments by affiliates	1.54%	1.44%	1.40%
Net investment income	3.52%	3.01%	2.16%
<b>Supplemental data</b>			
Net assets, end of year (000's)	\$29,971	\$26,559	\$14,730
Portfolio turnover rate	69.27%	4.65%	—%

<sup>a</sup>For the period October 3, 2011 (commencement of operations) to March 31, 2012.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Fund shares in relation to income earned and/or fluctuating market value of the investments of the Fund.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Amount rounds to less than \$0.01 per share.

<sup>e</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.



# Templeton Global Investment Trust

## Financial Highlights *(continued)*

### Templeton Emerging Markets Balanced Fund

Class C	Year Ended March 31,		
	2014	2013	2012 <sup>a</sup>
<b>Per share operating performance</b> (for a share outstanding throughout the year)			
Net asset value, beginning of year	\$11.32	\$11.49	\$10.00
Income from investment operations <sup>b</sup> :			
Net investment income <sup>c</sup>	0.28	0.24	0.14
Net realized and unrealized gains (losses)	(1.31)	(0.07)	1.41
Total from investment operations	(1.03)	0.17	1.55
Less distributions from:			
Net investment income	(0.25)	(0.34)	(0.06)
Net realized gains	(0.01)	(—) <sup>d</sup>	—
Total distributions	(0.26)	(0.34)	(0.06)
Net asset value, end of year	\$10.03	\$11.32	\$11.49
Total return <sup>e</sup>	(8.96)%	1.38%	15.49%
<b>Ratios to average net assets<sup>f</sup></b>			
Expenses before waiver and payments by affiliates	2.73%	2.88%	3.26%
Expenses net of waiver and payments by affiliates	2.23%	2.23%	2.23%
Net investment income	2.83%	2.22%	1.33%
<b>Supplemental data</b>			
Net assets, end of year (000's)	\$4,250	\$3,256	\$534
Portfolio turnover rate	69.27%	4.65%	—%

<sup>a</sup>For the period October 3, 2011 (commencement of operations) to March 31, 2012.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Fund shares in relation to income earned and/or fluctuating market value of the investments of the Fund.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Amount rounds to less than \$0.01 per share.

<sup>e</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.

# Templeton Global Investment Trust

## Financial Highlights *(continued)*

### Templeton Emerging Markets Balanced Fund

Class R	Year Ended March 31,		
	2014	2013	2012 <sup>a</sup>
<b>Per share operating performance</b> (for a share outstanding throughout the year)			
Net asset value, beginning of year	\$11.37	\$11.51	\$10.00
Income from investment operations <sup>b</sup> :			
Net investment income <sup>c</sup>	0.36	0.30	0.13
Net realized and unrealized gains (losses)	(1.34)	(0.07)	1.44
Total from investment operations	(0.98)	0.23	1.57
Less distributions from:			
Net investment income	(0.29)	(0.37)	(0.06)
Net realized gains	(0.01)	(—) <sup>d</sup>	—
Total distributions	(0.30)	(0.37)	(0.06)
Net asset value, end of year	\$10.09	\$11.37	\$11.51
Total return <sup>e</sup>	(8.45)%	1.92%	15.71%
<b>Ratios to average net assets<sup>f</sup></b>			
Expenses before waiver and payments by affiliates	2.23%	2.38%	2.76%
Expenses net of waiver and payments by affiliates	1.73%	1.73%	1.73%
Net investment income	3.33%	2.72%	1.83%
<b>Supplemental data</b>			
Net assets, end of year (000's)	\$53	\$56	\$20
Portfolio turnover rate	69.27%	4.65%	—%

<sup>a</sup>For the period October 3, 2011 (commencement of operations) to March 31, 2012.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Fund shares in relation to income earned and/or fluctuating market value of the investments of the Fund.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Amount rounds to less than \$0.01 per share.

<sup>e</sup>Total return is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.

# Templeton Global Investment Trust

## Financial Highlights *(continued)*

### Templeton Emerging Markets Balanced Fund

Advisor Class	Year Ended March 31,		
	2014	2013	2012 <sup>a</sup>
<b>Per share operating performance</b> (for a share outstanding throughout the year)			
Net asset value, beginning of year	\$11.40	\$11.54	\$10.00
Income from investment operations <sup>b</sup> :			
Net investment income <sup>c</sup>	0.42	0.37	0.12
Net realized and unrealized gains (losses)	(1.36)	(0.08)	1.49
Total from investment operations	(0.94)	0.29	1.61
Less distributions from:			
Net investment income	(0.34)	(0.43)	(0.07)
Net realized gains	(0.01)	(—) <sup>d</sup>	—
Total distributions	(0.35)	(0.43)	(0.07)
Net asset value, end of year	\$10.11	\$11.40	\$11.54
Total return <sup>e</sup>	(8.07)%	2.43%	16.07%
<b>Ratios to average net assets<sup>f</sup></b>			
Expenses before waiver and payments by affiliates	1.73%	1.88%	2.26%
Expenses net of waiver and payments by affiliates	1.23%	1.23%	1.23%
Net investment income	3.83%	3.22%	2.33%
<b>Supplemental data</b>			
Net assets, end of year (000's)	\$8,911	\$17,346	\$12,087
Portfolio turnover rate	69.27%	4.65%	—%

<sup>a</sup>For the period October 3, 2011 (commencement of operations) to March 31, 2012.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Fund shares in relation to income earned and/or fluctuating market value of the investments of the Fund.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Amount rounds to less than \$0.01 per share.

<sup>e</sup>Total return is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.

# Templeton Global Investment Trust

## Statement of Investments, March 31, 2014

Templeton Emerging Markets Balanced Fund	Industry	Shares	Value
<b>Common Stocks 57.1%</b>			
<b>Belgium 2.4%</b>			
Anheuser-Busch InBev NV . . . . .	Beverages	9,895	\$ 1,037,497
<b>Brazil 2.6%</b>			
Ambev SA . . . . .	Beverages	151,500	1,131,968
<b>Cambodia 0.3%</b>			
NagaCorp Ltd. . . . .	Hotels, Restaurants & Leisure	122,100	127,193
<b>Chile 0.3%</b>			
Sociedad Quimica Y Minera de Chile SA Soquimich, ADR . . . . .	Chemicals	4,068	129,118
<b>China 14.2%</b>			
AAC Technologies Holdings Inc. . . . .	Electronic Equipment, Instruments & Components	139,000	722,199
<sup>a</sup> Angang Steel Co. Ltd., H . . . . .	Metals & Mining	502,000	310,657
<sup>a</sup> Baidu Inc., ADR . . . . .	Internet Software & Services	5,300	807,614
Brilliance China Automotive Holdings Ltd. . . . .	Automobiles	1,172,600	1,795,988
<sup>a</sup> China Shipping Development Co. Ltd., H . . . . .	Marine	868,500	496,033
CNOOC Ltd. . . . .	Oil, Gas & Consumable Fuels	280,000	420,914
Lenovo Group Ltd. . . . .	Technology Hardware, Storage & Peripherals	356,700	391,814
NetEase Inc., ADR . . . . .	Internet Software & Services	11,587	779,805
Tencent Holdings Ltd. . . . .	Internet Software & Services	5,600	389,508
			6,114,532
<b>Hong Kong 7.2%</b>			
Dairy Farm International Holdings Ltd. . . . .	Food & Staples Retailing	29,700	289,278
Luk Fook Holdings (International) Ltd. . . . .	Specialty Retail	156,000	491,746
<sup>a</sup> Melco Crown Entertainment Ltd., ADR . . . . .	Hotels, Restaurants & Leisure	14,415	557,140
MGM China Holdings Ltd. . . . .	Hotels, Restaurants & Leisure	130,100	458,745
Sands China Ltd. . . . .	Hotels, Restaurants & Leisure	79,100	589,952
SJM Holdings Ltd. . . . .	Hotels, Restaurants & Leisure	260,200	731,309
			3,118,170
<b>India 4.0%</b>			
Infosys Ltd., ADR . . . . .	IT Services	31,900	1,728,342
<b>Indonesia 1.9%</b>			
Bank Danamon Indonesia Tbk PT . . . . .	Banks	2,128,100	812,038
<b>Jordan 0.6%</b>			
Arab Potash Co. PLC . . . . .	Chemicals	6,965	263,689
<b>Pakistan 5.3%</b>			
United Bank Ltd. . . . .	Banks	1,385,600	2,281,941
<b>Peru 0.4%</b>			
Compania de Minas Buenaventura SA, ADR . . . . .	Metals & Mining	14,220	178,745

# Templeton Global Investment Trust

Statement of Investments, March 31, 2014 (continued)

Templeton Emerging Markets Balanced Fund	Industry	Shares	Value
<b>Common Stocks (continued)</b>			
<b>Philippines 0.8%</b>			
Ayala Corp. . . . .	Diversified Financial Services	13,070	\$ 168,777
<sup>a</sup> Bloomberry Resorts Corp. . . . .	Hotels, Restaurants & Leisure	77,900	17,474
<sup>a</sup> Melco Crown Philippines Resorts Corp. . . . .	Hotels, Restaurants & Leisure	484,200	140,630
			<u>326,881</u>
<b>Russia 1.0%</b>			
Gazprom OAO, ADR . . . . .	Oil, Gas & Consumable Fuels	18,800	144,788
<sup>b</sup> LUKOIL Holdings, ADR (London Stock Exchange) . .	Oil, Gas & Consumable Fuels	4,800	266,712
Mining and Metallurgical Co. Norilsk Nickel, ADR . .	Metals & Mining	900	14,963
			<u>426,463</u>
<b>South Africa 5.2%</b>			
MTN Group Ltd. . . . .	Wireless Telecommunication Services	19,500	399,140
Naspers Ltd., N . . . . .	Media	4,664	514,353
Remgro Ltd. . . . .	Diversified Financial Services	69,600	1,354,499
			<u>2,267,992</u>
<b>Switzerland 2.2%</b>			
Compagnie Financiere Richemont SA . . . . .	Textiles, Apparel & Luxury Goods	9,777	933,460
<b>Taiwan 2.0%</b>			
Novatek Microelectronics Corp. Ltd. . . . .	Semiconductors & Semiconductor Equipment	37,000	169,493
Taiwan Semiconductor Manufacturing Co. Ltd. . . .	Semiconductors & Semiconductor Equipment	182,000	708,218
			<u>877,711</u>
<b>Thailand 3.4%</b>			
Land and Houses PCL . . . . .	Real Estate Management & Development	453,300	134,208
Land and Houses PCL, fgn. . . . .	Real Estate Management & Development	2,379,000	711,682
Quality Houses PCL, fgn. . . . .	Real Estate Management & Development	650,400	60,577
Univanich Palm Oil PCL, fgn. . . . .	Food Products	1,657,000	546,797
			<u>1,453,264</u>
<b>Turkey 0.2%</b>			
Turkiye Garanti Bankasi AS . . . . .	Banks	30,000	102,643
<b>United Kingdom 3.1%</b>			
Unilever PLC . . . . .	Food Products	31,135	1,329,590
<b>Total Common Stocks</b>			
<b>(Cost \$23,274,794)</b> . . . . .			<u>24,641,237</u>
<b><sup>c</sup> Participatory Notes</b>			
<b>(Cost \$1,213,020) 3.0%</b>			
<b>Saudi Arabia 3.0%</b>			
<sup>d</sup> HSBC Bank PLC, Etihad Etisalat Co., 144A, 12/05/14 . . . . .	Wireless Telecommunication Services	52,251	<u>1,292,221</u>

# Templeton Global Investment Trust

## Statement of Investments, March 31, 2014 *(continued)*

Templeton Emerging Markets Balanced Fund	Industry	Principal Amount*	Value
<b>Corporate Bonds and Notes 3.9%</b>			
<b>Kazakhstan 0.4%</b>			
<sup>d</sup> HSBK (Europe) BV, senior note, 144A, 7.25%, 5/03/17 .....	Banks	165,000	\$ 175,907
<b>Mexico 0.1%</b>			
<sup>d,e</sup> Corporacion GEO SAB de CV, senior note, 144A, 8.875%, 3/27/22 .....	Household Durables	200,000	27,243
<b>Romania 0.3%</b>			
<sup>d</sup> Cable Communications Systems NV, senior secured note, 144A, 7.50%, 11/01/20 .....	Media	100,000 EUR	146,391
<b>Russia 0.8%</b>			
<sup>d,f</sup> Alfa Bond Issuance PLC (Alfa Bank OJSC), loan participation, secured note, 144A, 7.875%, 9/25/17 .....	Banks	155,000	165,366
<sup>d,f</sup> Gaz Capital SA (OJSC Gazprom), loan participation, senior bond, 144A, 8.146%, 4/11/18 .....	Oil, Gas & Consumable Fuels	150,000	170,517
			<u>335,883</u>
<b>South Africa 0.7%</b>			
<sup>d</sup> Edcon Holdings Pty. Ltd., senior note, 144A, 13.375%, 6/30/19 .....	Specialty Retail	100,000 EUR	125,121
<sup>d</sup> Edcon Pty. Ltd., senior secured note, 144A, 9.50%, 3/01/18 .....	Specialty Retail	135,000 EUR	182,632
			<u>307,753</u>
<b>Turkey 0.4%</b>			
<sup>d</sup> Turkiye Is Bankasi, sub. note, 144A, 6.00%, 10/24/22 .....	Banks	200,000	187,246
<b>Ukraine 0.7%</b>			
<sup>d</sup> Metinvest BV, 144A, 10.25%, 5/20/15 .....	Metals & Mining	145,000	143,187
<sup>f,g</sup> State Export-Import Bank of Ukraine (BIZ FIN), loan participation, Reg S, 8.75%, 1/22/18 .....	Banks	200,000	170,750
			<u>313,937</u>
<b>Venezuela 0.5%</b>			
Petroleos de Venezuela SA, senior sub. bond, 4.90%, 10/28/14 .....	Oil, Gas & Consumable Fuels	220,000	210,693
<b>Total Corporate Bonds and Notes (Cost \$1,798,552) .....</b>			<u>1,705,053</u>

# Templeton Global Investment Trust

Statement of Investments, March 31, 2014 (continued)

Templeton Emerging Markets Balanced Fund	Principal Amount*	Value
<b>Foreign Government and Agency</b>		
<b>Securities 25.8%</b>		
<b>Brazil 1.2%</b>		
<sup>h</sup> Nota Do Tesouro Nacional, Index Linked, 6.00%,		
5/15/15 .....	300 <sup>i</sup> BRL \$	322,644
8/15/18 .....	80 <sup>i</sup> BRL	84,498
5/15/45 .....	100 <sup>i</sup> BRL	96,615
		503,757
<b>Ghana 1.5%</b>		
Government of Ghana,		
14.00%, 10/13/14 .....	10,000 GHS	3,586
14.99%, 2/23/15 .....	150,000 GHS	52,503
24.00%, 5/25/15 .....	285,000 GHS	107,046
21.00%, 10/26/15 .....	410,000 GHS	148,345
19.24%, 5/30/16 .....	165,000 GHS	57,184
23.00%, 8/21/17 .....	310,000 GHS	113,853
<sup>d</sup> 144A, 7.875%, 8/07/23 .....	200,000	184,000
		666,517
<b>Hungary 4.4%</b>		
Government of Hungary,		
5.50%, 12/22/16 .....	78,970,000 HUF	367,994
4.125%, 2/19/18 .....	40,000	40,750
4.00%, 4/25/18 .....	5,280,000 HUF	23,237
6.50%, 6/24/19 .....	36,290,000 HUF	174,615
7.50%, 11/12/20 .....	17,140,000 HUF	87,070
5.375%, 2/21/23 .....	70,000	71,218
A, 8.00%, 2/12/15 .....	2,040,000 HUF	9,543
A, 6.75%, 11/24/17 .....	48,310,000 HUF	233,895
A, 5.50%, 12/20/18 .....	31,810,000 HUF	147,910
A, 7.00%, 6/24/22 .....	6,410,000 HUF	31,897
A, 6.00%, 11/24/23 .....	10,600,000 HUF	49,698
B, 6.75%, 2/24/17 .....	30,000,000 HUF	144,540
D, 6.75%, 8/22/14 .....	30,500,000 HUF	138,798
senior note, 6.375%, 3/29/21 .....	290,000	317,731
<sup>#</sup> senior note, Reg S, 4.375%, 7/04/17 .....	40,000 EUR	57,972
<sup>#</sup> senior note, Reg S, 5.75%, 6/11/18 .....	10,000 EUR	15,225
		1,912,093
<b>Indonesia 0.5%</b>		
Government of Indonesia,		
FR31, 11.00%, 11/15/20 .....	31,000,000 IDR	3,150
FR34, 12.80%, 6/15/21 .....	1,751,000,000 IDR	193,971
FR35, 12.90%, 6/15/22 .....	31,000,000 IDR	3,481
FR36, 11.50%, 9/15/19 .....	63,000,000 IDR	6,418
FR43, 10.25%, 7/15/22 .....	31,000,000 IDR	3,054
senior bond, FR53, 8.25%, 7/15/21 .....	173,000,000 IDR	15,386
Indonesia Retail Bond, senior note, 8.50%, 10/15/16 .....	125,000,000 IDR	11,165
		236,625



# Templeton Global Investment Trust

## Statement of Investments, March 31, 2014 (continued)

Templeton Emerging Markets Balanced Fund	Principal Amount*	Value
<b>Foreign Government and Agency Securities (continued)</b>		
<b>Malaysia 0.8%</b>		
Government of Malaysia,		
3.434%, 8/15/14 .....	20,000 MYR \$	6,137
3.741%, 2/27/15 .....	1,050,000 MYR	323,636
3.835%, 8/12/15 .....	55,000 MYR	17,001
		<u>346,774</u>
<b>Mexico 0.5%</b>		
Government of Mexico, 9.50%, 12/18/14 .....	28,000 i MXN	<u>223,494</u>
<b>Mongolia 0.4%</b>		
<sup>d</sup> Government of Mongolia, senior note, 144A,		
5.125%, 12/05/22 .....	200,000	<u>162,110</u>
<b>Nigeria 1.4%</b>		
Government of Nigeria,		
13.05%, 8/16/16 .....	31,000,000 NGN	182,422
15.10%, 4/27/17 .....	69,000,000 NGN	430,147
		<u>612,569</u>
<b>Poland 2.2%</b>		
Government of Poland,		
5.00%, 4/25/16 .....	185,000 PLN	63,596
<sup>k</sup> FRN, 2.72%, 1/25/17 .....	571,000 PLN	188,445
<sup>k</sup> FRN, 2.72%, 1/25/21 .....	579,000 PLN	187,505
Strip, 7/25/15 .....	1,100,000 PLN	350,929
Strip, 1/25/16 .....	460,000 PLN	144,308
		<u>934,783</u>
<b>Romania 0.2%</b>		
<sup>g</sup> Government of Romania, senior note, Reg S,		
5.25%, 6/17/16 .....	55,000 EUR	<u>81,334</u>
<b>Serbia 2.9%</b>		
<sup>d</sup> Government of Serbia, senior note, 144A, 7.25%,		
9/28/21 .....	200,000	225,011
Serbia Treasury Note, 10.00%,		
4/27/15 .....	19,780,000 RSD	240,264
9/14/15 .....	16,700,000 RSD	202,068
10/18/15 .....	5,500,000 RSD	66,434
1/30/16 .....	390,000 RSD	4,676
2/21/16 .....	39,000,000 RSD	466,753
12/19/16 .....	1,900,000 RSD	22,451
11/08/17 .....	510,000 RSD	5,921
		<u>1,233,578</u>

# Templeton Global Investment Trust

Statement of Investments, March 31, 2014 (continued)

Templeton Emerging Markets Balanced Fund	Principal Amount*	Value
<b>Foreign Government and Agency Securities (continued)</b>		
<b>South Korea 1.6%</b>		
Korea Monetary Stabilization Bond, senior note, 2.74%, 2/02/15 .....	357,000,000 KRW \$	335,540
2.90%, 12/02/15 .....	229,000,000 KRW	215,630
Korea Treasury Bond, senior note, 2.75%, 6/10/16 .....	76,000,000 KRW	71,281
3.00%, 12/10/16 .....	69,400,000 KRW	65,422
		687,873
<b>Sri Lanka 2.3%</b>		
Government of Sri Lanka, <sup>d</sup> 144A, 5.875%, 7/25/22 .....	200,000	201,250
A, 11.00%, 8/01/15 .....	2,600,000 LKR	20,821
A, 8.50%, 11/01/15 .....	12,300,000 LKR	95,624
A, 5.80%, 1/15/17 .....	8,300,000 LKR	59,740
A, 9.00%, 5/01/21 .....	20,610,000 LKR	149,576
B, 11.00%, 9/01/15 .....	1,500,000 LKR	12,044
B, 8.00%, 6/01/16 .....	25,100,000 LKR	193,738
B, 5.80%, 7/15/17 .....	2,900,000 LKR	20,587
C, 8.50%, 4/01/18 .....	5,300,000 LKR	40,001
D, 8.50%, 6/01/18 .....	3,780,000 LKR	28,417
<sup>d</sup> senior note, 144A, 6.25%, 10/04/20 .....	165,000	173,662
		995,460
<b>Ukraine 2.7%</b>		
<sup>d</sup> Financing of Infrastructure Projects State Enterprise, senior note, 144A, 9.00%, 12/07/17 .....	490,000	435,438
<sup>d</sup> Government of Ukraine, 144A, 9.25%, 7/24/17 .....	210,000	206,588
144A, 7.75%, 9/23/20 .....	360,000	339,057
senior bond, 144A, 7.80%, 11/28/22 .....	200,000	187,375
		1,168,458
<b>Uruguay 2.8%</b>		
<sup>l</sup> Government of Uruguay, senior bond, Index Linked, 5.00%, 9/14/18 .....	35,765 UYU	1,659
4.375%, 12/15/28 .....	7,780,485 UYU	348,939
Uruguay Notas del Tesoro, 9.75%, 6/14/14 .....	3,240,000 UYU	141,740
10.50%, 3/21/15 .....	240,000 UYU	10,120
10.25%, 8/22/15 .....	3,117,000 UYU	129,453
9.50%, 1/27/16 .....	6,144,000 UYU	247,747
<sup>l</sup> 13, Index Linked, 4.00%, 5/25/25 .....	53,742 UYU	2,329
<sup>l</sup> 18, Index Linked, 2.25%, 8/23/17 .....	1,895,095 UYU	75,613
<sup>l</sup> 19, Index Linked, 2.50%, 9/27/22 .....	56,570 UYU	2,222
Uruguay Treasury Bill, <sup>m</sup> 8/29/14 .....	202,000 UYU	8,385
Strip, 12/18/14 .....	250,000 UYU	9,932
Strip, 2/05/15 .....	340,000 UYU	13,255

# Templeton Global Investment Trust

Statement of Investments, March 31, 2014 (continued)

Templeton Emerging Markets Balanced Fund	Principal Amount*	Value
<b>Foreign Government and Agency Securities (continued)</b>		
<b>Uruguay (continued)</b>		
Uruguay Treasury Bill, (continued)		
Strip, 3/26/15 .....	990,000 UYU \$	37,848
Strip, 5/14/15 .....	2,727,000 UYU	102,257
Strip, 7/02/15 .....	534,000 UYU	19,689
Strip, 8/20/15 .....	1,541,000 UYU	55,847
Strip, 11/26/15 .....	340,000 UYU	11,906
Strip, 1/14/16 .....	249,000 UYU	8,575
		1,227,516
<b>Vietnam 0.4%</b>		
<sup>d</sup> Government of Vietnam, 144A, 6.75%, 1/29/20 ..	150,000	166,928
<b>Total Foreign Government and Agency Securities (Cost \$11,622,252) .....</b>		11,159,869
<b>Total Investments before Short Term Investments (Cost \$37,908,618) .....</b>		38,798,380
<b>Short Term Investments 7.5%</b>		
<b>Foreign Government and Agency Securities 3.1%</b>		
<b>Malaysia 0.6%</b>		
<sup>m</sup> Bank of Negara Monetary Notes, 5/27/14 - 2/17/15 .....	845,000 MYR	255,273
<b>Nigeria 1.9%</b>		
<sup>m</sup> Nigeria Treasury Bills, 4/03/14 - 3/05/15 .....	145,830,000 NGN	826,763
<b>Philippines 0.6%</b>		
<sup>m</sup> Philippine Treasury Bills, 6/04/14 - 9/03/14 .....	11,070,000 PHP	246,681
<b>Uruguay 0.0%<sup>†</sup></b>		
<sup>m</sup> Uruguay Treasury Bills, 1/16/15 - 2/20/15 .....	210,000 UYU	8,214
<b>Total Foreign Government and Agency Securities (Cost \$1,369,746) .....</b>		1,336,931
<b>Total Investments before Money Market Funds (Cost \$39,278,364) .....</b>		40,135,311
	<b>Shares</b>	
<b>Money Market Funds (Cost \$1,865,989) 4.4%</b>		
<b>United States 4.4%</b>		
<sup>a,n</sup> Institutional Fiduciary Trust Money Market Portfolio .....	1,865,989	1,865,989

# Templeton Global Investment Trust

## Statement of Investments, March 31, 2014 (continued)

Templeton Emerging Markets Balanced Fund	Value
<b>Total Investments</b>	
(Cost \$41,144,353) 97.3% .....	\$ 42,001,300
<b>Other Assets, less Liabilities 2.7%</b> .....	<u>1,183,400</u>
<b>Net Assets 100.0%</b> .....	<u>\$ 43,184,700</u>

<sup>†</sup>Rounds to less than 0.1% of net assets.

<sup>\*</sup>The principal amount is stated in U.S. dollars unless otherwise indicated.

<sup>‡</sup>Non-income producing.

<sup>§</sup>At March 31, 2014, pursuant to the Fund's policies and the requirements of applicable securities law, the Fund may be restricted from trading this security for a limited or extended period of time due to ownership limits and/or potential possession of material non-public information.

<sup>¶</sup>See Note 1(e) regarding Participatory Notes.

<sup>¶¶</sup>Security was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. These securities have been deemed liquid under guidelines approved by the Trust's Board of Trustees. At March 31, 2014, the aggregate value of these securities was \$4,897,250, representing 11.34% of net assets.

<sup>¶¶¶</sup>See Note 7 regarding defaulted securities.

<sup>¶¶¶¶</sup>See Note 1(d) regarding loan participation notes.

<sup>¶¶¶¶¶</sup>Security was purchased pursuant to Regulation S under the Securities Act of 1933, which exempts from registration securities offered and sold outside of the United States. Such a security cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. These securities have been deemed liquid under guidelines approved by the Trust's Board of Trustees. At March 31, 2014, the aggregate value of these securities was \$325,281, representing 0.75% of net assets.

<sup>¶¶¶¶¶¶</sup>Redemption price at maturity is adjusted for inflation. See Note 1(g).

<sup>¶¶¶¶¶¶¶</sup>Principal amount is stated in 1,000 Brazilian Real Units.

<sup>¶¶¶¶¶¶¶¶</sup>Principal amount is stated in 100 Mexican Peso Units.

<sup>¶¶¶¶¶¶¶¶¶</sup>The coupon rate shown represents the rate at period end.

<sup>¶¶¶¶¶¶¶¶¶¶</sup>Principal amount of security is adjusted for inflation. See Note 1(g).

<sup>¶¶¶¶¶¶¶¶¶¶¶</sup>The security is traded on a discount basis with no stated coupon rate.

<sup>¶¶¶¶¶¶¶¶¶¶¶¶</sup>See Note 3(f) regarding investments in the Institutional Fiduciary Trust Money Market Portfolio.

At March 31, 2014, the Fund had the following forward exchange contracts outstanding. See Note 1(c).

### Forward Exchange Contracts

Currency	Counterparty <sup>a</sup>	Type	Quantity	Contract Amount	Settlement Date	Unrealized Appreciation	Unrealized Depreciation
Malaysian Ringgit	JPHQ	Buy	170,500	\$ 52,181	4/02/14	\$ 42	\$ —
Malaysian Ringgit	JPHQ	Sell	170,500	52,173	4/02/14	—	(50)
Ghana Cedi	BZWS	Buy	16,272	6,851	4/08/14	—	(762)
Euro	DBAB	Sell	121,000	158,462	4/22/14	—	(8,245)
Euro	JPHQ	Sell	130,000	170,383	4/22/14	—	(8,723)
Euro	BZWS	Sell	136,000	177,014	5/16/14	—	(10,352)
Indian Rupee	JPHQ	Buy	12,595,000	198,637	5/19/14	9,136	—
South Korean Won	JPHQ	Buy	145,000,000	127,215	5/28/14	8,541	—
South Korean Won	JPHQ	Buy	145,000,000	135,476	5/30/14	266	—
Euro	DBAB	Sell	123,000	162,235	6/06/14	—	(7,217)
Philippine Peso	DBAB	Buy	12,994,800	300,000	6/30/14	—	(10,402)
Philippine Peso	JPHQ	Buy	1,863,000	43,006	7/01/14	—	(1,489)
Malaysian Ringgit	JPHQ	Buy	280,500	86,071	7/02/14	—	(594)
Malaysian Ringgit	DBAB	Buy	25,770	7,999	7/03/14	—	(147)
Malaysian Ringgit	DBAB	Buy	238,900	74,052	7/07/14	—	(1,274)

# Templeton Global Investment Trust

## Statement of Investments, March 31, 2014 (continued)

### Templeton Emerging Markets Balanced Fund

#### Forward Exchange Contracts (continued)

Currency	Counterparty <sup>a</sup>	Type	Quantity	Contract Amount	Settlement Date	Unrealized Appreciation	Unrealized Depreciation
Euro	DBAB	Sell	31,000	\$ 41,187	8/01/14	\$ —	\$ (1,519)
Euro	DBAB	Sell	16,000	21,334	8/11/14	—	(708)
Mexican Peso	CITI	Buy	14,461,572	1,092,305	8/20/14	3,378	—
Malaysian Ringgit	HSBK	Buy	550,000	163,302	8/26/14	3,756	—
Euro	DBAB	Sell	120,000	160,248	8/29/14	—	(5,066)
Malaysian Ringgit	HSBK	Buy	125,000	36,707	8/29/14	1,253	—
Chilean Peso	DBAB	Buy	136,162,000	259,876	10/14/14	—	(16,122)
Euro	DBAB	Sell	623,000	842,408	10/15/14	—	(15,850)
Euro	DBAB	Sell	42,000	56,837	10/20/14	—	(1,024)
Euro	DBAB	Sell	100,000	138,114	10/30/14	351	—
Euro	DBAB	Sell	4,000	5,415	11/10/14	—	(95)
Euro	BZWS	Sell	100,000	134,470	11/14/14	—	(3,295)
Chilean Peso	DBAB	Buy	87,993,000	161,811	11/18/14	—	(4,713)
Brazilian Real	HSBK	Buy	300,000	121,753	11/21/14	2,269	—
Euro	CITI	Sell	363,000	493,553	12/05/14	—	(6,540)
Euro	DBAB	Sell	137,000	185,731	12/08/14	—	(3,010)
Euro	DBAB	Sell	41,018	55,946	1/07/15	—	(566)
Malaysian Ringgit	JPHQ	Buy	220,800	65,895	1/08/15	854	—
Malaysian Ringgit	JPHQ	Buy	119,000	35,539	1/09/15	432	—
Malaysian Ringgit	JPHQ	Buy	36,000	10,762	1/12/15	117	—
Euro	DBAB	Sell	120,000	164,016	1/30/15	—	(1,321)
Euro	DBAB	Sell	100,000	135,545	2/03/15	—	(2,237)
Euro	DBAB	Sell	339,000	466,447	2/23/15	—	(657)
Malaysian Ringgit	HSBK	Buy	125,000	37,377	2/27/15	248	—
Ghana Cedi	BZWS	Buy	60,000	19,355	3/10/15	—	(570)
Uruguayan Peso	CITI	Buy	580,000	22,961	3/13/15	256	—
Euro	DBAB	Sell	66,600	92,497	3/18/15	725	—
Euro	JPHQ	Sell	53,000	73,659	3/19/15	626	—
Euro	JPHQ	Sell	66,000	91,853	3/23/15	906	—
Euro	JPHQ	Sell	27,000	37,251	3/25/15	45	—
Malaysian Ringgit	JPHQ	Buy	170,500	51,154	4/02/15	17	—
Unrealized appreciation (depreciation)						33,218	(112,548)
Net unrealized appreciation (depreciation)						<u>\$ (79,330)</u>	

<sup>a</sup>May be comprised of multiple contracts using the same currency and settlement date.

# Templeton Global Investment Trust

## Statement of Investments, March 31, 2014 *(continued)*

### Templeton Emerging Markets Balanced Fund

At March 31, 2014, the Fund had the following interest rate swap contracts outstanding. See Note 1(c).

#### Interest Rate Swaps Contracts

Description	Counterparty/ Exchange	Expiration Date	Notional Amount	Unrealized Appreciation	Unrealized Depreciation
<b>Centrally Cleared Swaps</b>					
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 2.775%	DBAB	10/4/23	\$20,000	\$—	\$ (234)
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 2.795%	DBAB	10/4/23	20,000	—	(270)
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 2.765%	HSBK	10/7/23	20,000	—	(207)
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 3.668%	DBAB	10/4/43	10,000	—	(383)
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 3.687%	DBAB	10/4/43	10,000	—	(420)
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 3.675%	HSBK	10/7/43	10,000	—	(393)
Net unrealized appreciation (depreciation)					<u>\$(1,907)</u>

See Abbreviations on page 53.

# Templeton Global Investment Trust

## Financial Statements

### Statement of Assets and Liabilities

March 31, 2014

	<b>Templeton Emerging Markets Balanced Fund</b>
Assets:	
Investments in securities:	
Cost - Unaffiliated issuers . . . . .	\$39,278,364
Cost - Sweep Money Fund (Note 3f) . . . . .	1,865,989
Total cost of investments . . . . .	<u>\$41,144,353</u>
Value - Unaffiliated issuers . . . . .	\$40,135,311
Value - Sweep Money Fund (Note 3f) . . . . .	1,865,989
Total value of investments . . . . .	42,001,300
Cash . . . . .	19,721
Foreign currency, at value (cost \$506,076) . . . . .	507,668
Receivables:	
Investment securities sold . . . . .	1,021,863
Capital shares sold . . . . .	122,391
Dividends and interest . . . . .	336,251
Due from brokers . . . . .	114,016
Variation margin . . . . .	238
Unrealized appreciation on forward exchange contracts . . . . .	33,218
Other assets . . . . .	30
Total assets . . . . .	<u>44,156,696</u>
Liabilities:	
Payables:	
Investment securities purchased . . . . .	752,115
Capital shares redeemed . . . . .	21,514
Management fees . . . . .	1,868
Distribution fees . . . . .	21,510
Transfer agent fees . . . . .	11,171
Unrealized depreciation on forward exchange contracts . . . . .	112,548
Deferred tax . . . . .	16,870
Accrued expenses and other liabilities . . . . .	34,400
Total liabilities . . . . .	<u>971,996</u>
Net assets, at value . . . . .	<u>\$43,184,700</u>
Net assets consist of:	
Paid-in capital . . . . .	\$46,471,087
Undistributed net investment income . . . . .	122,725
Net unrealized appreciation (depreciation) . . . . .	758,177
Accumulated net realized gain (loss) . . . . .	(4,167,289)
Net assets, at value . . . . .	<u>\$43,184,700</u>

# Templeton Global Investment Trust

## Financial Statements *(continued)*

### Statement of Assets and Liabilities *(continued)*

March 31, 2014

	Templeton Emerging Markets Balanced Fund
<b>Class A:</b>	
Net assets, at value .....	\$29,971,153
Shares outstanding .....	2,968,063
Net asset value per share <sup>a</sup> .....	\$10.10
Maximum offering price per share (net asset value per share ÷ 94.25%) .....	\$10.72
<b>Class C:</b>	
Net assets, at value .....	\$ 4,249,734
Shares outstanding .....	423,505
Net asset value and maximum offering price per share <sup>a</sup> .....	\$10.03
<b>Class R:</b>	
Net assets, at value .....	\$ 52,968
Shares outstanding .....	5,252
Net asset value and maximum offering price per share .....	\$10.09
<b>Advisor Class:</b>	
Net assets, at value .....	\$ 8,910,845
Shares outstanding .....	881,276
Net asset value and maximum offering price per share .....	\$10.11

<sup>a</sup>Redemption price is equal to net asset value less contingent deferred sales charges, if applicable.



# Templeton Global Investment Trust

## Financial Statements *(continued)*

### Statement of Operations

for the year ended March 31, 2014

	Templeton Emerging Markets Balanced Fund
Investment income:	
Dividends (net of foreign taxes of \$134,310) . . . . .	\$ 1,154,654
Interest (net of foreign taxes of \$5,009) . . . . .	1,227,501
Total investment income . . . . .	2,382,155
Expenses:	
Management fees (Note 3a) . . . . .	534,082
Administrative fees (Note 3b) . . . . .	7,796
Distribution fees: (Note 3c)	
Class A . . . . .	92,463
Class C . . . . .	40,320
Class R . . . . .	249
Transfer agent fees: (Note 3e)	
Class A . . . . .	49,876
Class C . . . . .	6,818
Class R . . . . .	84
Advisor Class . . . . .	22,846
Custodian fees (Note 4) . . . . .	31,884
Reports to shareholders . . . . .	30,876
Registration and filing fees . . . . .	62,665
Professional fees . . . . .	55,931
Other . . . . .	12,669
Total expenses . . . . .	948,559
Expenses waived/paid by affiliates (Note 3f and 3g) . . . . .	(236,681)
Net expenses . . . . .	711,878
Net investment income . . . . .	1,670,277
Realized and unrealized gains (losses):	
Net realized gain (loss) from:	
Investments . . . . .	(4,132,396)
Foreign currency transactions . . . . .	(144,658)
Swap contracts . . . . .	57
Net realized gain (loss) . . . . .	(4,276,997)
Net change in unrealized appreciation (depreciation) on:	
Investments . . . . .	(1,585,017)
Translation of other assets and liabilities denominated in foreign currencies . . . . .	(123,026)
Change in deferred taxes on unrealized appreciation . . . . .	(14,513)
Net change in unrealized appreciation (depreciation) . . . . .	(1,722,556)
Net realized and unrealized gain (loss) . . . . .	(5,999,553)
Net increase (decrease) in net assets resulting from operations . . . . .	\$(4,329,276)

# Templeton Global Investment Trust

## Financial Statements *(continued)*

### Statements of Changes in Net Assets

	Templeton Emerging Markets Balanced Fund	
	Year Ended March 31,	
	2014	2013
Increase (decrease) in net assets:		
Operations:		
Net investment income . . . . .	\$ 1,670,277	\$ 1,005,712
Net realized gain (loss) from investments, foreign currency transactions and swap contracts . .	(4,276,997)	41,914
Net change in unrealized appreciation (depreciation) on investments, translation of other assets and liabilities denominated in foreign currencies and deferred taxes . . . . .	(1,722,556)	(604,524)
Net increase (decrease) in net assets resulting from operations . . . . .	(4,329,276)	443,102
Distributions to shareholders from:		
Net investment income:		
Class A . . . . .	(903,464)	(637,753)
Class C . . . . .	(105,774)	(44,594)
Class R . . . . .	(1,345)	(735)
Advisor Class . . . . .	(424,206)	(479,517)
Net realized gains:		
Class A . . . . .	(25,326)	(984)
Class C . . . . .	(3,792)	(98)
Class R . . . . .	(37)	(1)
Advisor Class . . . . .	(11,025)	(673)
Total distributions to shareholders . . . . .	(1,474,969)	(1,164,355)
Capital share transactions: (Note 2)		
Class A . . . . .	6,952,483	12,196,294
Class C . . . . .	1,480,733	2,738,279
Class R . . . . .	4,556	36,852
Advisor Class . . . . .	(6,665,319)	5,594,478
Total capital share transactions . . . . .	1,772,453	20,565,903
Net increase (decrease) in net assets . . . . .	(4,031,792)	19,844,650
Net assets:		
Beginning of year . . . . .	47,216,492	27,371,842
End of year . . . . .	\$43,184,700	\$47,216,492
Undistributed net investment income included in net assets:		
End of year . . . . .	\$ 122,725	\$ 41,250

# Templeton Global Investment Trust

## Notes to Financial Statements

### Templeton Emerging Markets Balanced Fund

#### 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Templeton Global Investment Trust (Trust) is registered under the Investment Company Act of 1940, as amended, (1940 Act) as an open-end management investment company, consisting of six separate funds. The Templeton Emerging Markets Balanced Fund (Fund) is included in this report. The financial statements of the remaining funds in the Trust are presented separately. The Fund offers four classes of shares: Class A, Class C, Class R, and Advisor Class. Each class of shares differs by its initial sales load, contingent deferred sales charges, voting rights on matters affecting a single class, its exchange privilege and fees primarily due to differing arrangements for distribution and transfer agent fees.

The following summarizes the Fund's significant accounting policies.

##### a. Financial Instrument Valuation

The Fund's investments in financial instruments are carried at fair value daily. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Fund calculates the net asset value (NAV) per share at the close of the New York Stock Exchange (NYSE), generally at 4 p.m. Eastern time (NYSE close) on each day the NYSE is open for trading. Under procedures approved by the Trust's Board of Trustees (the Board), the Fund's administrator, investment manager and other affiliates have formed the Valuation and Liquidity Oversight Committee (VLOC). The VLOC provides administration and oversight of the Fund's valuation policies and procedures, which are approved annually by the Board. Among other things, these procedures allow the Fund to utilize independent pricing services, quotations from securities and financial instrument dealers, and other market sources to determine fair value.

Equity securities and derivative financial instruments (derivatives) listed on an exchange or on the NASDAQ National Market System are valued at the last quoted sale price or the official closing price of the day, respectively. Foreign equity securities are valued as of the close of trading on the foreign stock exchange on which the security is primarily traded or as of the NYSE close, whichever is earlier. The value is then converted into its U.S. dollar equivalent at the foreign exchange rate in effect at the NYSE close on the day that the value of the security is determined. Over-the-counter (OTC) securities are valued within the range of the most recent quoted bid and ask prices. Securities that trade in multiple markets or on multiple exchanges are valued according to the broadest and most representative market. Certain equity securities are valued based upon fundamental characteristics or relationships to similar securities. Investments in open-end mutual funds are valued at the closing net asset value.

Debt securities generally trade in the OTC market rather than on a securities exchange. The Fund's pricing services use multiple valuation techniques to determine fair value. In instances

# Templeton Global Investment Trust

## Notes to Financial Statements *(continued)*

### Templeton Emerging Markets Balanced Fund

#### 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### a. Financial Instrument Valuation *(continued)*

where sufficient market activity exists, the pricing services may utilize a market-based approach through which quotes from market makers are used to determine fair value. In instances where sufficient market activity may not exist or is limited, the pricing services also utilize proprietary valuation models which may consider market characteristics such as benchmark yield curves, credit spreads, estimated default rates, anticipated market interest rate volatility, coupon rates, anticipated timing of principal repayments, underlying collateral, and other unique security features in order to estimate the relevant cash flows, which are then discounted to calculate the fair value. Securities denominated in a foreign currency are converted into their U.S. dollar equivalent at the foreign exchange rate in effect at the NYSE close on the date that the values of the foreign debt securities are determined.

Certain derivatives trade in the OTC market. The Fund's pricing services use various techniques including industry standard option pricing models and proprietary discounted cash flow models to determine the fair value of those instruments. The Fund's net benefit or obligation under the derivative contract, as measured by the fair value of the contract, is included in net assets.

The Fund has procedures to determine the fair value of financial instruments for which market prices are not reliable or readily available. Under these procedures, the VLOC convenes on a regular basis to review such financial instruments and considers a number of factors, including significant unobservable valuation inputs, when arriving at fair value. The VLOC primarily employs a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, book values, and other relevant information for the investment to determine the fair value of the investment. An income-based valuation approach may also be used in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed. The VLOC employs various methods for calibrating these valuation approaches including a regular review of key inputs and assumptions, transactional back-testing or disposition analysis, and reviews of any related market activity.

Trading in securities on foreign securities stock exchanges and OTC markets may be completed before the daily NYSE close. In addition, trading in certain foreign markets may not take place on every NYSE business day. Occasionally, events occur between the time at which trading in a foreign security is completed and the close of the NYSE that might call into question the reliability of the value of a portfolio security held by the Fund. As a result, differences may arise between the value of the Fund's portfolio securities as determined at the foreign market close and the latest indications of value at the close of the NYSE. In order to minimize the potential for these

# Templeton Global Investment Trust

## Notes to Financial Statements *(continued)*

### Templeton Emerging Markets Balanced Fund

#### 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### a. Financial Instrument Valuation *(continued)*

differences, the VLOC monitors price movements following the close of trading in foreign stock markets through a series of country specific market proxies (such as baskets of American Depositary Receipts, futures contracts and exchange traded funds). These price movements are measured against established trigger thresholds for each specific market proxy to assist in determining if an event has occurred that may call into question the reliability of the values of the foreign securities held by the Fund. If such an event occurs, the securities may be valued using fair value procedures, which may include the use of independent pricing services.

Also, when the last day of the reporting period is a non-business day, certain foreign markets may be open on those days that the NYSE is closed, which could result in differences between the value of the Fund's portfolio securities on the last business day and the last calendar day of the reporting period. Any significant security valuation changes due to an open foreign market are adjusted and reflected by the Fund for financial reporting purposes.

##### b. Foreign Currency Translation

Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the exchange rate of such currencies against U.S. dollars on the date of valuation. The Fund may enter into foreign currency exchange contracts to facilitate transactions denominated in a foreign currency. Purchases and sales of securities, income and expense items denominated in foreign currencies are translated into U.S. dollars at the exchange rate in effect on the transaction date. Portfolio securities and assets and liabilities denominated in foreign currencies contain risks that those currencies will decline in value relative to the U.S. dollar. Occasionally, events may impact the availability or reliability of foreign exchange rates used to convert the U.S. dollar equivalent value. If such an event occurs, the foreign exchange rate will be valued at fair value using procedures established and approved by the Board.

The Fund does not separately report the effect of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in net realized and unrealized gain or loss from investments on the Statement of Operations.

Realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions and the difference between the recorded amounts of dividends, interest, and foreign withholding taxes and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in foreign exchange rates on foreign denominated assets and liabilities other than investments in securities held at the end of the reporting period.

# Templeton Global Investment Trust

## Notes to Financial Statements *(continued)*

### Templeton Emerging Markets Balanced Fund

#### 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### c. Derivative Financial Instruments

The Fund invested in derivatives in order to manage risk or gain exposure to various other investments or markets. Derivatives are financial contracts based on an underlying or notional amount, require no initial investment or an initial net investment that is smaller than would normally be required to have a similar response to changes in market factors, and require or permit net settlement. Derivatives contain various risks including the potential inability of the counterparty to fulfill their obligations under the terms of the contract, the potential for an illiquid secondary market, and/or the potential for market movements which expose the Fund to gains or losses in excess of the amounts shown on the Statement of Assets and Liabilities. Realized gain and loss and unrealized appreciation and depreciation on these contracts for the period are included in the Statement of Operations.

Derivative counterparty credit risk is managed through a formal evaluation of the creditworthiness of all potential counterparties. The Fund attempts to reduce its exposure to counterparty credit risk on OTC derivatives, whenever possible, by entering into International Swaps and Derivatives Association (ISDA) master agreements with certain counterparties. These agreements contain various provisions, including but not limited to collateral requirements, events of default, or early termination. Termination events applicable to the counterparty include certain deteriorations in the credit quality of the counterparty. Termination events applicable to the Fund include failure of the Fund to maintain certain net asset levels and/or limit the decline in net assets over various periods of time. In the event of default or early termination, the ISDA master agreement gives the non-defaulting party the right to net and close-out all transactions traded, whether or not arising under the ISDA agreement, to one net amount payable by one counterparty to the other. However, absent an event of default or early termination, OTC derivative assets and liabilities are presented gross and not offset in the Statement of Assets and Liabilities. Early termination by the counterparty may result in an immediate payment by the Fund of any net liability owed to that counterparty under the ISDA agreement. At March 31, 2014, the Fund had OTC derivatives in a net liability position of \$96,982 and the aggregate value of collateral pledged for such contracts was \$110,000.

Collateral requirements differ by type of derivative. Collateral or initial margin requirements are set by the broker or exchange clearing house for exchange traded and centrally cleared derivatives. Initial margin deposited is held at the exchange and can be in the form of cash and/or securities. For OTC derivatives traded under an ISDA master agreement, posting of collateral is required by either the fund or the applicable counterparty if the total net exposure of all OTC derivatives with the applicable counterparty exceeds the minimum transfer amount, which typically ranges from \$100,000 to \$250,000, and can vary depending on the counterparty and the type of the agreement. Generally, collateral is determined at the close of fund business each day and any additional collateral required due to changes in derivative values may be delivered by

# Templeton Global Investment Trust

## Notes to Financial Statements *(continued)*

### Templeton Emerging Markets Balanced Fund

#### 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### c. Derivative Financial Instruments *(continued)*

the fund or the counterparty within a few business days. Collateral pledged and/or received by the fund for OTC derivatives, if any, is held in segregated accounts with the fund's custodian/counterparty broker and can be in the form of cash and/or securities. Unrestricted cash may be invested according to the Fund's investment objectives.

The Fund entered into OTC forward exchange contracts primarily to manage and/or gain exposure to certain foreign currencies. A forward exchange contract is an agreement between the Fund and a counterparty to buy or sell a foreign currency at a specific exchange rate on a future date.

The Fund entered into interest rate swap contracts primarily to manage interest rate risk. An interest rate swap is an agreement between the Fund and a counterparty to exchange cash flows based on the difference between two interest rates, applied to a notional amount. These agreements may be privately negotiated in the over-the-counter market ("OTC interest rate swaps") or may be executed on a registered exchange ("centrally cleared interest rate swaps"). For centrally cleared interest rate swaps, required initial margins are pledged by the Fund, and the daily change in fair value is accounted for as a variation margin payable or receivable on the Statement of Assets and Liabilities. Over the term of the contract, contractually required payments to be paid and to be received are accrued daily and recorded as unrealized depreciation and appreciation until the payments are made, at which time they are realized.

See Note 9 regarding other derivative information.

##### d. Loan Participation Notes

The Fund invests in loan participation notes ("Participations"). Participations are loans originally issued to a borrower by one or more financial institutions (the "Lender") and subsequently sold to other investors, such as the Fund. Participations typically result in the Fund having a contractual relationship only with the Lender and not with the borrower. The Fund has the right to receive from the Lender any payments of principal, interest and fees which the Lender received from the borrower. The Fund generally has no rights to either enforce compliance by the borrower with the terms of the loan agreement or to any collateral relating to the original loan. As a result, the Fund assumes the credit risk of both the borrower and the Lender that is selling the Participation. The Participations may also involve interest rate risk and liquidity risk, including the potential default or insolvency of the borrower and/or the Lender.

##### e. Participatory Notes

The Fund invests in Participatory Notes (P-Notes). P-notes are promissory notes that are designed to offer a return linked to the performance of a particular underlying equity security or market. P-Notes are issued by banks or broker-dealers and allow the fund to gain exposure to common

# Templeton Global Investment Trust

## Notes to Financial Statements *(continued)*

### Templeton Emerging Markets Balanced Fund

#### 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### e. Participatory Notes *(continued)*

stocks in markets where direct investment is not allowed. Income received from P-Notes is recorded as dividend income in the Statement of Operations. P-Notes may contain various risks including the potential inability of the counterparty to fulfill their obligations under the terms of the contract. These securities may be more volatile and less liquid than other investments held by the Fund.

##### f. Income and Deferred Taxes

It is the Fund's policy to qualify as a regulated investment company under the Internal Revenue Code. The Fund intends to distribute to shareholders substantially all of its taxable income and net realized gains to relieve it from federal income and excise taxes. As a result, no provision for U.S. federal income taxes is required.

The Fund may be subject to foreign taxation related to income received, capital gains on the sale of securities and certain foreign currency transactions in the foreign jurisdictions in which it invests. Foreign taxes, if any, are recorded based on the tax regulations and rates that exist in the foreign markets in which the Fund invests. When a capital gain tax is determined to apply the Fund records an estimated deferred tax liability in an amount that would be payable if the securities were disposed of on the valuation date.

The Fund recognizes the tax benefits of uncertain tax positions only when the position is "more likely than not" to be sustained upon examination by the tax authorities based on the technical merits of the tax position. As of March 31, 2014, and for all open tax years, the Fund has determined that no liability for unrecognized tax benefits is required in the Fund's financial statements related to uncertain tax positions taken on a tax return (or expected to be taken on future tax returns). Open tax years are those that remain subject to examination and are based on each tax jurisdiction statute of limitation.

##### g. Security Transactions, Investment Income, Expenses and Distributions

Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on a specific identification basis. Interest income and estimated expenses are accrued daily. Amortization of premium and accretion of discount on debt securities are included in interest income. Dividend income is recorded on the ex-dividend date except that certain dividends from foreign securities are recognized as soon as the Fund is notified of the ex-dividend date. Distributions from realized capital gains and other distributions, if any, are recorded on the ex-dividend date. Distributions to shareholders are determined according to income tax regulations (tax basis). Distributable earnings determined on a tax basis may differ from earnings recorded in accordance with accounting principles generally accepted in the United States of America. These



# Templeton Global Investment Trust

## Notes to Financial Statements *(continued)*

### Templeton Emerging Markets Balanced Fund

#### 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### g. Security Transactions, Investment Income, Expenses and Distributions *(continued)*

differences may be permanent or temporary. Permanent differences are reclassified among capital accounts to reflect their tax character. These reclassifications have no impact on net assets or the results of operations. Temporary differences are not reclassified, as they may reverse in subsequent periods.

Common expenses incurred by the Trust are allocated among the funds based on the ratio of net assets of each fund to the combined net assets of the Trust. Fund specific expenses are charged directly to the fund that incurred the expense.

Realized and unrealized gains and losses and net investment income, not including class specific expenses, are allocated daily to each class of shares based upon the relative proportion of net assets of each class. Differences in per share distributions, by class, are generally due to differences in class specific expenses.

Inflation-indexed bonds are adjusted for inflation through periodic increases or decreases in the security's interest accruals, face amount, or principal redemption value, by amounts corresponding to the rate of inflation as measured by an index. Any increase or decrease in the face amount or principal redemption value will be included as interest income on the Statement of Operations.

##### h. Accounting Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

##### i. Guarantees and Indemnifications

Under the Trust's organizational documents, its officers and trustees are indemnified by the Trust against certain liabilities arising out of the performance of their duties to the Trust. Additionally, in the normal course of business, the Trust, on behalf of the Fund, enters into contracts with service providers that contain general indemnification clauses. The Trust's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred. Currently, the Trust expects the risk of loss to be remote.

# Templeton Global Investment Trust

## Notes to Financial Statements *(continued)*

### Templeton Emerging Markets Balanced Fund

#### 2. SHARES OF BENEFICIAL INTEREST

At March 31, 2014, there were an unlimited number of shares authorized (\$0.01 par value). Transactions in the Fund's shares were as follows:

	Year Ended March 31,			
	2014		2013	
	Shares	Amount	Shares	Amount
<b>Class A Shares:</b>				
Shares sold	1,777,930	\$18,767,881	1,230,287	\$14,175,535
Shares issued in reinvestment of distributions	68,833	702,120	19,349	218,138
Shares redeemed	(1,211,935)	(12,517,518)	(193,793)	(2,197,379)
Net increase (decrease)	634,828	\$ 6,952,483	1,055,843	\$12,196,294
<b>Class C Shares:</b>				
Shares sold	279,437	\$ 2,945,398	249,351	\$ 2,832,022
Shares issued in reinvestment of distributions	10,730	108,994	3,718	41,602
Shares redeemed	(154,241)	(1,573,659)	(12,013)	(135,345)
Net increase (decrease)	135,926	\$ 1,480,733	241,056	\$ 2,738,279
<b>Class R Shares:</b>				
Shares sold	2,877	\$ 30,231	3,321	\$ 38,703
Shares issued in reinvestment of distributions	130	1,330	32	366
Shares redeemed	(2,641)	(27,005)	(193)	(2,217)
Net increase (decrease)	366	\$ 4,556	3,160	\$ 36,852
<b>Advisor Class Shares:</b>				
Shares sold	378,539	\$ 3,943,611	525,419	\$ 6,163,064
Shares issued in reinvestment of distributions	10,678	108,965	4,075	45,789
Shares redeemed	(1,030,073)	(10,717,895)	(55,149)	(614,375)
Net increase (decrease)	(640,856)	\$ (6,665,319)	474,345	\$ 5,594,478

#### 3. TRANSACTIONS WITH AFFILIATES

Franklin Resources, Inc. is the holding company for various subsidiaries that together are referred to as Franklin Templeton Investments. Certain officers and trustees of the Trust are also officers and/or directors of the following subsidiaries:

Subsidiary	Affiliation
Templeton Asset Management Ltd. (TAML)	Investment manager
Franklin Advisers, Inc. (Advisers)	Investment manager
Franklin Templeton Services, LLC (FT Services)	Administrative manager
Franklin Templeton Distributors, Inc. (Distributors)	Principal underwriter
Franklin Templeton Investor Services, LLC (Investor Services)	Transfer agent

# Templeton Global Investment Trust

## Notes to Financial Statements *(continued)*

### Templeton Emerging Markets Balanced Fund

#### 3. TRANSACTIONS WITH AFFILIATES *(continued)*

##### a. Management Fees

The Fund pays an investment management fee to TAML based on the average daily net assets of the Fund as follows:

Annualized Fee Rate	Net Assets
1.150%	Up to and including \$1 billion
1.100%	Over \$1 billion, up to and including \$5 billion
1.050%	Over \$5 billion, up to and including \$10 billion
1.000%	Over \$10 billion, up to and including \$15 billion
0.950%	Over \$15 billion, up to and including \$20 billion
0.900%	In excess of \$20 billion

Effective May 1, 2013, the Fund combined its investment management and administration agreements as approved by the Board. The fees paid under the combined agreement do not exceed the aggregate fees that were paid under the separate agreements.

Prior to May 1, 2013, the Fund paid fees to TAML based on the average daily net assets of the Fund as follows:

Annualized Fee Rate	Net Assets
0.950%	Up to and including \$1 billion
0.900%	Over \$1 billion, up to and including \$5 billion
0.850%	Over \$5 billion, up to and including \$10 billion
0.800%	Over \$10 billion, up to and including \$15 billion
0.750%	Over \$15 billion, up to and including \$20 billion
0.700%	In excess of \$20 billion

Under a subadvisory agreement, Advisers, an affiliate of TAML, provides subadvisory services to the Fund. The subadvisory fee is paid by TAML based on average daily net assets, and is not an additional expense of the Fund.

##### b. Administrative Fees

Effective May 1, 2013, under an agreement with TAML, FT Services provides administrative services to the Fund. The fee is paid by TAML based on the Fund's average daily net assets, and is not an additional expense of the Fund.

Prior to May 1, 2013, the Fund paid administrative fees to FT Services of 0.20% per year of the average daily net assets of the Fund.

# Templeton Global Investment Trust

## Notes to Financial Statements *(continued)*

### Templeton Emerging Markets Balanced Fund

#### 3. TRANSACTIONS WITH AFFILIATES *(continued)*

##### c. Distribution Fees

The Board has adopted distribution plans for each share class, with the exception of Advisor Class shares, pursuant to Rule 12b-1 under the 1940 Act. Distribution fees are not charged on shares held by affiliates. Under the Fund's Class A reimbursement distribution plan, the Fund reimburses Distributors for costs incurred in connection with the servicing, sale and distribution of the Fund's shares up to the maximum annual plan rate. Under the Class A reimbursement distribution plan, costs exceeding the maximum for the current plan year cannot be reimbursed in subsequent periods. In addition, under the Fund's Class C and R compensation distribution plans, the Fund pays Distributors for costs incurred in connection with the servicing, sale and distribution of the Fund's shares up to the maximum annual plan rate for each class. The plan year, for purposes of monitoring compliance with the maximum annual plan rates, is February 1 through January 31.

The maximum annual plan rates, based on the average daily net assets, for each class, are as follows:

Class A .....	0.30%
Class C .....	1.00%
Class R .....	0.50%

##### d. Sales Charges/Underwriting Agreements

Front-end sales charges and contingent deferred sales charges (CDSC) do not represent expenses of the Fund. These charges are deducted from the proceeds of sales of Fund shares prior to investment or from redemption proceeds prior to remittance, as applicable. Distributors has advised the Fund of the following commission transactions related to the sales and redemptions of the Fund's shares for the year:

Sales charges retained net of commissions paid to unaffiliated broker/dealers .....	\$55,172
CDSC retained .....	\$ 1,321

##### e. Transfer Agent Fees

Each class of shares pays transfer agent fees to Investor Services for its performance of shareholder servicing obligations and reimburses Investor Services for out of pocket expenses incurred, including shareholding servicing fees paid to third parties. These fees are allocated daily based upon their relative proportion of such classes' aggregate net assets.

For the year ended March 31, 2014, the Fund paid transfer agent fees of \$79,624, of which \$34,188 was retained by Investor Services.

# Templeton Global Investment Trust

## Notes to Financial Statements *(continued)*

### Templeton Emerging Markets Balanced Fund

#### 3. TRANSACTIONS WITH AFFILIATES *(continued)*

##### f. Investment in Institutional Fiduciary Trust Money Market Portfolio

The Fund invests in the Institutional Fiduciary Trust Money Market Portfolio (Sweep Money Fund), an affiliated open-end investment company. Management fees paid by the Fund are waived on assets invested in the Sweep Money Fund, in an amount not to exceed the management and administrative fees paid directly or indirectly by the Sweep Money Fund.

##### g. Waiver and Expense Reimbursements

TAML has contractually agreed in advance to waive or limit its fees and to assume as its own expense certain expenses otherwise payable by the Fund so that the expenses (excluding distribution fees, and acquired fund fees and expenses) for Class A, Class C, Class R and Advisor Class of the Fund do not exceed 1.23%, (other than certain non-routine expenses or costs, including those relating to litigation, indemnification, reorganizations, and liquidations) until July 31, 2014.

##### h. Other Affiliated Transactions

At March 31, 2014, Advisers owned 23.86% of the Fund's outstanding shares.

#### 4. EXPENSE OFFSET ARRANGEMENT

The Fund has entered into an arrangement with its custodian whereby credits realized as a result of uninvested cash balances are used to reduce a portion of the Fund's custodian expenses. During the year ended March 31, 2014, there were no credits earned.

#### 5. INCOME TAXES

For tax purposes, capital losses may be carried over to offset future capital gains, if any.

During the year ended March 31, 2014, the Fund utilized \$4,125 of capital loss carryforwards.

For tax purposes, the Fund may elect to defer any portion of a post-October capital loss to the first day of the following fiscal year. At March 31, 2014, the Fund deferred post-October capital losses of \$4,163,101.

# Templeton Global Investment Trust

## Notes to Financial Statements *(continued)*

### Templeton Emerging Markets Balanced Fund

#### 5. INCOME TAXES *(continued)*

The tax character of distributions paid during the years ended March 31, 2014 and 2013, was as follows:

	2014	2013
Distributions paid from:		
Ordinary income . . . . .	\$1,435,077	\$1,164,355
Long term capital gain . . . . .	39,892	—
	<u>\$1,474,969</u>	<u>\$1,164,355</u>

At March 31, 2014, the cost of investments, net unrealized appreciation (depreciation), undistributed ordinary income for income tax purposes were as follows:

Cost of investments . . . . .	<u>\$41,238,605</u>
Unrealized appreciation . . . . .	\$ 3,334,365
Unrealized depreciation . . . . .	<u>(2,571,670)</u>
Net unrealized appreciation (depreciation) . . . . .	<u>\$ 762,695</u>
Distributable earnings - undistributed ordinary income . . . . .	<u>\$ 185,114</u>

Differences between income and/or capital gains as determined on a book basis and a tax basis are primarily due to differing treatments of foreign currency transactions and bond discounts and premiums.

#### 6. INVESTMENT TRANSACTIONS

Purchases and sales of investments (excluding short term securities) for the year ended March 31, 2014, aggregated \$31,678,765 and \$28,832,198, respectively.

#### 7. CREDIT RISK AND DEFAULTED SECURITIES

At March 31, 2014, the Fund had 20.12% of its portfolio invested in high yield or other securities rated below investment grade. These securities may be more sensitive to economic conditions causing greater price volatility and are potentially subject to a greater risk of loss due to default than higher rated securities.

The Fund held a defaulted security and/or other securities for which the income has been deemed uncollectible. At March 31, 2014, the value of this security was \$27,243, representing 0.06% of the Fund's net assets. The Fund discontinues accruing income on securities for which income has been deemed uncollectible and provides an estimate for losses on interest receivable. The security has been identified on the accompanying Statement of Investments.

# Templeton Global Investment Trust

## Notes to Financial Statements *(continued)*

### Templeton Emerging Markets Balanced Fund

#### 8. CONCENTRATION OF RISK

Investing in foreign securities may include certain risks and considerations not typically associated with investing in U.S. securities, such as fluctuating currency values and changing local and regional economic, political and social conditions, which may result in greater market volatility. In addition, certain foreign securities may not be as liquid as U.S. securities.

#### 9. OTHER DERIVATIVE INFORMATION

At March 31, 2014, the Fund's investments in derivative contracts are reflected on the Statement of Assets and Liabilities as follows:

Derivative Contracts Not Accounted for as Hedging Instruments	Asset Derivatives		Liability Derivatives	
	Statement of Assets and Liabilities Location	Fair Value Amount	Statement of Assets and Liabilities Location	Fair Value Amount
Interest rate contracts . . .	Variation margin	\$ —	Due from brokers / Variation margin	\$ 1,907 <sup>a</sup>
Forward exchange contracts . . . . .	Unrealized appreciation on forward exchange contracts	33,218	Unrealized depreciation on forward exchange contracts	\$112,548

<sup>a</sup>Includes cumulative unrealized appreciation (depreciation) on centrally cleared swaps as reported in the Statement of Investments. Initial margin is included as a receivable due from brokers and current day's variation margin is separately reported within the Statement of Assets and Liabilities.

For the year ended March 31, 2014, the effect of derivative contracts on the Fund's Statement of Operations was as follows:

Derivative Contracts Not Accounted for as Hedging Instruments	Statement of Operations Locations	Realized Gain	Change in
		(Loss) for the Year	Unrealized Appreciation (Depreciation) for the Year
Interest rate contracts . . .	Net realized gain (loss) from swap contracts / Net change in unrealized appreciation (depreciation) on investments	\$ 57	\$ (1,907)
Foreign exchange contracts . . . . .	Net realized gain (loss) from foreign currency transactions / Net change in unrealized appreciation (depreciation) on translation of other assets and liabilities denominated in foreign currencies	(117,367)	(122,739)

For the year ended March 31, 2014, the average month end fair value of derivatives represented 0.27% of average month end net assets. The average month end number of open derivative contracts for the year was 51.

# Templeton Global Investment Trust

## Notes to Financial Statements *(continued)*

### Templeton Emerging Markets Balanced Fund

#### **9. OTHER DERIVATIVE INFORMATION** *(continued)*

See Note 1(c) regarding derivative financial instruments.

#### **10. CREDIT FACILITY**

The Fund, together with other U.S. registered and foreign investment funds (collectively, Borrowers), managed by Franklin Templeton Investments, are borrowers in a joint syndicated senior unsecured credit facility totaling \$1.5 billion (Global Credit Facility) which matures on February 13, 2015. This Global Credit Facility provides 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 Fund shall, in addition to interest charged on any borrowings made by the Fund and other costs incurred by the Fund, 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 of 0.07% based upon the unused portion of the Global Credit Facility. These fees are reflected in other expenses on the Statement of Operations. During the year ended March 31, 2014, the Fund did not use the Global Credit Facility.

#### **11. FAIR VALUE MEASUREMENTS**

The Fund follows a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Fund's own market assumptions (unobservable inputs). These inputs are used in determining the value of the Fund's financial instruments and are summarized in the following fair value hierarchy:

- Level 1 – quoted prices in active markets for identical financial instruments
- Level 2 – other significant observable inputs (including quoted prices for similar financial instruments, interest rates, prepayment speed, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of financial instruments)

The input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level.

For movements between the levels within the fair value hierarchy, the Fund has adopted a policy of recognizing the transfers as of the date of the underlying event which caused the movement.



# Templeton Global Investment Trust

## Notes to Financial Statements *(continued)*

### Templeton Emerging Markets Balanced Fund

#### 11. FAIR VALUE MEASUREMENTS *(continued)*

A summary of inputs used as of March 31, 2014, in valuing the Fund's assets and liabilities carried at fair value, is as follows:

	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
Investments in Securities:				
Equity Investments: <sup>a</sup>				
Russia . . . . .	\$ 266,712	\$ 159,751	\$ —	\$ 426,463
Thailand . . . . .	741,582	711,682	—	1,453,264
All Other Equity Investments <sup>b</sup> . . . . .	22,761,510	—	—	22,761,510
Participatory Notes . . . . .	—	1,292,221	—	1,292,221
Corporate Bonds and Notes . . . . .	—	1,705,053	—	1,705,053
Foreign Government and Agency Securities . . . . .	—	11,159,869	—	11,159,869
Short Term Investments . . . . .	1,865,989	1,336,931	—	3,202,920
Total Investments in Securities . . . . .	<u>\$25,635,793</u>	<u>\$16,365,507</u>	<u>\$ —</u>	<u>\$42,001,300</u>
Forward Exchange Contracts . . . . .	\$ —	\$ 33,218	\$ —	\$ 33,218
<b>Liabilities:</b>				
Forward Exchange Contracts . . . . .	—	112,548	—	112,548
Swap Contracts . . . . .	—	1,907	—	1,907

<sup>a</sup>Includes common and preferred stocks.

<sup>b</sup>For detailed categories, see the accompanying Statement of Investments.

#### 12. NEW ACCOUNTING PRONOUNCEMENTS

In June 2013, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2013-08, Investment Companies (Topic 946): Amendments to the Scope, Measurement, and Disclosure Requirements. The ASU modifies the criteria used in defining an investment company under Generally Accepted Accounting Principles and also sets forth certain measurement and disclosure requirements. Under the ASU, an entity that is registered under the 1940 Act automatically qualifies as an investment company. The ASU is effective for interim and annual reporting periods beginning after December 15, 2013. Management has reviewed the requirements and believes the adoption of this ASU will not have a material impact on the financial statements.

#### 13. SUBSEQUENT EVENTS

The Fund has evaluated subsequent events through the issuance of the financial statements and determined that no events have occurred that require disclosure.

# Templeton Global Investment Trust

## Notes to Financial Statements *(continued)*

### Templeton Emerging Markets Balanced Fund

#### ABBREVIATIONS

##### Counterparty

**BZWS** - Barclays Bank PLC  
**CITI** - Citibank N.A.  
**DBAB** - Deutsche Bank AG  
**HSBK** - HSBC Bank PLC  
**JPHQ** - JPMorgan Chase Bank, N.A.

##### Currency

**BRL** - Brazilian Real  
**EUR** - Euro  
**GHS** - Ghanaian Cedi  
**HUF** - Hungarian Forint  
**IDR** - Indonesian Rupiah  
**KRW** - South Korean Won  
**LKR** - Sri Lankan Rupee  
**MXN** - Mexican Peso  
**MYR** - Malaysian Ringgit  
**NGN** - Nigerian Naira  
**PHP** - Philippine Peso  
**PLN** - Polish Zloty  
**RSD** - Serbian Dinar  
**UYU** - Uruguayan Peso

##### Selected Portfolio

**ADR** - American Depositary Receipt  
**FRN** - Floating Rate Note

# Templeton Global Investment Trust

## Report of Independent Registered Public Accounting Firm

### To the Board of Trustees and Shareholders of Templeton Emerging Markets Balanced Fund

In our opinion, the accompanying statement of assets and liabilities, including the statement of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of Templeton Emerging Markets Balanced Fund (the “Fund”) at March 31, 2014, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for the periods presented, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as “financial statements”) are the responsibility of the Fund’s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at March 31, 2014 by correspondence with the custodian, transfer agent and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

San Francisco, California

May 19, 2014

# Templeton Global Investment Trust

## Tax Information (unaudited)

### Templeton Emerging Markets Balanced Fund

Under Section 852(b)(3)(C) of the Internal Revenue Code (Code), the Fund hereby reports the maximum amount allowable but no less than \$39,892 as a long term capital gain dividend for the fiscal year ended March 31, 2014.

Under Section 854(b)(1)(B) of the Code, the Fund hereby reports the maximum amount allowable but no less than \$595,809 as qualified dividends for purposes of the maximum rate under Section 1(h)(11) of the Code for the fiscal year ended March 31, 2014. Distributions, including qualified dividend income, paid during calendar year 2014 will be reported to shareholders on Form 1099-DIV by mid-February 2015. Shareholders are advised to check with their tax advisors for information on the treatment of these amounts on their individual income tax returns.

At March 31, 2014, more than 50% of the Fund's total assets were invested in securities of foreign issuers. In most instances, foreign taxes were withheld from income paid to the Fund on these investments. As shown in the table below, the Fund hereby reports to shareholders the foreign source income and foreign taxes paid, pursuant to Section 853 of the Code. This written statement will allow shareholders of record on March 13, 2014, to treat their proportionate share of foreign taxes paid by the Fund as having been paid directly by them. The shareholder shall consider these amounts as foreign taxes paid in the tax year in which they receive the Fund distribution.

The following table provides a detailed analysis of foreign tax paid, foreign source income, and foreign source qualified dividends as reported by the Fund, to Class A, Class C, Class R, and Advisor Class shareholders of record.

Class	Foreign Tax Paid Per Share	Foreign Source Income Per Share	Foreign Qualified Dividends Per Share
Class A	\$0.0276	\$0.4356	\$0.1003
Class C	\$0.0276	\$0.3771	\$0.0869
Class R	\$0.0276	\$0.4184	\$0.0964
Advisor Class	\$0.0276	\$0.4587	\$0.1055

Foreign Tax Paid Per Share (Column 1) is the amount per share available to you, as a tax credit (assuming you held your shares in the Fund for a minimum of 16 days during the 31-day period beginning 15 days before the ex-dividend date of the Fund's distribution to which the foreign taxes relate), or, as a tax deduction.

Foreign Source Income Per Share (Column 2) is the amount per share of income dividends attributable to foreign securities held by the Fund, plus any foreign taxes withheld on these dividends. The amounts reported include foreign source qualified dividends that have not been adjusted for the rate differential applicable to such dividend income.<sup>1</sup>

# Templeton Global Investment Trust

## Tax Information (unaudited) *(continued)*

### Templeton Emerging Markets Balanced Fund

Foreign Source Qualified Dividends Per Share (Column 3) is the amount per share of foreign source qualified dividends, plus any foreign taxes withheld on these dividends. These amounts represent the portion of the Foreign Source Income reported to you in column 2 that were derived from qualified foreign securities held by the Fund.<sup>1</sup>

By mid-February 2015, shareholders will receive Form 1099-DIV which will include their share of taxes paid and foreign source income distributed during the calendar year 2014. The Foreign Source Income reported on Form 1099-DIV has not been adjusted for the rate differential on foreign source qualified dividend income. Shareholders are advised to check with their tax advisors for information on the treatment of these amounts on their 2014 individual income tax returns.

<sup>1</sup> Qualified dividends are taxed at reduced long term capital gains tax rates. In determining the amount of foreign tax credit that may be applied against the U.S. tax liability of individuals receiving foreign source qualified dividends, adjustments may be required to the foreign tax credit limitation calculation to reflect the rate differential applicable to such dividend income. The rules however permit certain individuals to elect not to apply the rate differential adjustments for capital gains and/or dividends for any taxable year. Please consult your tax advisor and the instructions to Form 1116 for more information.

# Templeton Global Investment Trust

## Board Members and Officers

The name, year of birth and address of the officers and board members, as well as their affiliations, positions held with the Trust, principal occupations during at least the past five years and number of U.S. registered portfolios overseen in the Franklin Templeton Investments fund complex are shown below. Generally, each board member serves until that person's successor is elected and qualified.

### Independent Board Members

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
<b>Harris J. Ashton (1932)</b> 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Trustee	Since 1994	140	Bar-S Foods (meat packing company) (1981-2010).
<b>Principal Occupation During at Least the Past 5 Years:</b> Director of various companies; and <b>formerly</b> , Director, RBC Holdings, Inc. (bank holding company) (until 2002); and President, Chief Executive Officer and Chairman of the Board, General Host Corporation (nursery and craft centers) (until 1998).				
<b>Ann Torre Bates (1958)</b> 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Trustee	Since 2008	37	Navient Corporation (loan management, servicing and asset recovery) (May 2014), Ares Capital Corporation (specialty finance company) (2010-present), United Natural Foods, Inc. (distributor of natural, organic and specialty foods) (2013-present), Allied Capital Corporation (financial services) (2003-2010) and SLM Corporation (Sallie Mae) (1997-2014).
<b>Principal Occupation During at Least the Past 5 Years:</b> Director of various companies; and <b>formerly</b> , Executive Vice President and Chief Financial Officer, NHP Incorporated (manager of multifamily housing) (1995-1997); and Vice President and Treasurer, US Airways, Inc. (until 1995).				
<b>Frank J. Crothers (1944)</b> 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Trustee	Since 2001	27	Talon Metals Corp. (mining exploration), Fortis, Inc. (utility holding company) and AML Foods Limited (retail distributors).
<b>Principal Occupation During at Least the Past 5 Years:</b> Director and Vice Chairman, Caribbean Utilities Company, Ltd.; director of various other private business and nonprofit organizations; and <b>formerly</b> , Chairman, Atlantic Equipment and Power Ltd. (1977-2003).				

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
<b>Edith E. Holiday (1952)</b> 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Lead Independent Trustee	Trustee since 1996 and Lead Independent Trustee since 2007	140	Hess Corporation (exploration and refining of oil and gas), H.J. Heinz Company (processed foods and allied products) (1994-2013), RTI International Metals, Inc. (manufacture and distribution of titanium), Canadian National Railway (railroad) and White Mountains Insurance Group, Ltd. (holding company).

**Principal Occupation During at Least the Past 5 Years:**

Director or Trustee of various companies and trusts; and **formerly**, Assistant to the President of the United States and Secretary of the Cabinet (1990-1993); General Counsel to the United States Treasury Department (1989-1990); and Counselor to the Secretary and Assistant Secretary for Public Affairs and Public Liaison – United States Treasury Department (1988-1989).

<b>J. Michael Luttig (1954)</b> 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Trustee	Since 2009	140	Boeing Capital Corporation (aircraft financing) (2006-2013).
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**Principal Occupation During at Least the Past 5 Years:**

Executive Vice President, General Counsel and member of the Executive Council, The Boeing Company (aerospace company); and **formerly**, Federal Appeals Court Judge, U.S. Court of Appeals for the Fourth Circuit (1991-2006).

<b>David W. Niemiec (1949)</b> 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Trustee	Since 2006	34	Emeritus Corporation (assisted living) (1999-2010) and OSI Pharmaceuticals, Inc. (pharmaceutical products) (2006-2010).
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**Principal Occupation During at Least the Past 5 Years:**

Advisor, Saratoga Partners (private equity fund); and **formerly**, Managing Director, Saratoga Partners (1998-2001) and SBC Warburg Dillon Read (investment banking) (1997-1998); Vice Chairman, Dillon, Read & Co. Inc. (investment banking) (1991-1997); and Chief Financial Officer, Dillon, Read & Co. Inc. (1982-1997).

<b>Frank A. Olson (1932)</b> 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Trustee	Since 2003	140	Hess Corporation (exploration and refining of oil and gas) (1998-2013).
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**Principal Occupation During at Least the Past 5 Years:**

Chairman Emeritus, The Hertz Corporation (car rental) (since 2000) (Chairman of the Board (1980-2000) and Chief Executive Officer (1977-1999)); and **formerly**, Chairman of the Board, President and Chief Executive Officer, UAL Corporation (airlines) (until 1987).

<b>Larry D. Thompson (1945)</b> 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Trustee	Since 2006	140	Cbeyond, Inc. (business communications provider) (2010-2012), The Southern Company (energy company) (2010-2012) and Graham Holdings Company ( <i>formerly</i> , The Washington Post Company) (education and media organization).
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**Principal Occupation During at Least the Past 5 Years:**

Executive Vice President – Government Affairs, General Counsel and Corporate Secretary, PepsiCo, Inc. (consumer products) (2012-present); and **formerly**, John A. Sibley Professor of Corporate and Business Law, University of Georgia School of Law (2011-2012); Senior Vice President – Government Affairs, General Counsel and Secretary, PepsiCo, Inc. (2004-2011); Senior Fellow of The Brookings Institution (2003-2004); Visiting Professor, University of Georgia School of Law (2004); and Deputy Attorney General, U.S. Department of Justice (2001-2003).

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
<b>Constantine D. Tseretopoulos (1954)</b> 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Trustee	Since 2001	27	None
<b>Principal Occupation During at Least the Past 5 Years:</b> Physician, Chief of Staff, owner and operator of the Lyford Cay Hospital (1987-present); director of various nonprofit organizations; and <b>formerly</b> , Cardiology Fellow, University of Maryland (1985-1987); and Internal Medicine Resident, Greater Baltimore Medical Center (1982-1985).				
<b>Robert E. Wade (1946)</b> 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Trustee	Since 2006	44	El Oro Ltd. (investments)
<b>Principal Occupation During at Least the Past 5 Years:</b> Attorney at law engaged in private practice (1972-2008) and member of various boards.				

## Interested Board Members and Officers

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
<b>**Gregory E. Johnson (1961)</b> One Franklin Parkway San Mateo, CA 94403-1906	Trustee	Since 2006	150	None
<b>Principal Occupation During at Least the Past 5 Years:</b> Chairman of the Board, Member – Office of the Chairman, Director, President and Chief Executive Officer, Franklin Resources, Inc.; officer and/or director or trustee, as the case may be, of some of the other subsidiaries of Franklin Resources, Inc. and of 44 of the investment companies in Franklin Templeton Investments; and Chairman, Investment Company Institute.				
<b>**Rupert H. Johnson, Jr. (1940)</b> One Franklin Parkway San Mateo, CA 94403-1906	Chairman of the Board, Trustee and Vice President	Chairman of the Board, Trustee since June 2013, and Vice President since 1996	140	None
<b>Principal Occupation During at Least the Past 5 Years:</b> Vice Chairman, Member – Office of the Chairman and Director, Franklin Resources, Inc.; Director, Franklin Advisers, Inc.; Senior Vice President, Franklin Advisory Services, LLC; and officer and/or director or trustee, as the case may be, of some of the other subsidiaries of Franklin Resources, Inc. and of 41 of the investment companies in Franklin Templeton Investments.				
<b>Alison E. Baur (1964)</b> One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2012	Not Applicable	Not Applicable
<b>Principal Occupation During at Least the Past 5 Years:</b> Deputy General Counsel, Franklin Templeton Investments; and officer of some of the other subsidiaries of Franklin Resources, Inc. and of 46 of the investment companies in Franklin Templeton Investments.				



Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
<b>Norman J. Boersma (1957)</b> Lyford Cay Nassau, Bahamas	President and Chief Executive Officer – Investment Management	Since 2012	Not Applicable	Not Applicable

**Principal Occupation During at Least the Past 5 Years:**

Director, President and Chief Executive Officer, Templeton Global Advisors Ltd.; Executive Vice President, Franklin Templeton Investment Corp.; Chief Investment Officer of Templeton Global Equity Group; and officer of six of the investment companies in Franklin Templeton Investments.

<b>Laura F. Ferguson (1962)</b> One Franklin Parkway San Mateo, CA 94403-1906	Chief Executive Officer – Finance and Administration	Since 2009	Not Applicable	Not Applicable
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**Principal Occupation During at Least the Past 5 Years:**

Senior Vice President, Franklin Templeton Services, LLC; and officer of 46 of the investment companies in Franklin Templeton Investments.

<b>Aliya S. Gordon (1973)</b> One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2009	Not Applicable	Not Applicable
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**Principal Occupation During at Least the Past 5 Years:**

Senior Associate General Counsel, Franklin Templeton Investments; officer of 46 of the investment companies in Franklin Templeton Investments; and **formerly**, Litigation Associate, Steefel, Levitt & Weiss, LLP (2000-2004).

<b>Steven J. Gray (1955)</b> One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2009	Not Applicable	Not Applicable
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**Principal Occupation During at Least the Past 5 Years:**

Senior Associate General Counsel, Franklin Templeton Investments; Vice President, Franklin Templeton Distributors, Inc. and Franklin Alternative Strategies Advisers, LLC; and officer of 46 of the investment companies in Franklin Templeton Investments.

<b>Selena L. Holmes (1965)</b> 100 Fountain Parkway St. Petersburg, FL 33716-1205	Vice President – AML Compliance	Since 2012	Not Applicable	Not Applicable
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**Principal Occupation During at Least the Past 5 Years:**

Director, Global Compliance Monitoring; Deputy Chief Compliance Officer, Franklin Alternative Strategies Advisers, LLC; and officer of 46 of the investment companies in Franklin Templeton Investments.

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
<b>Kimberly H. Novotny (1972)</b> 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Vice President	Since 2013	Not Applicable	Not Applicable
<b>Principal Occupation During at Least the Past 5 Years:</b> Associate General Counsel, Franklin Templeton Investments; Vice President and Secretary, Fiduciary Trust International of the South; Vice President, Templeton Investment Counsel, LLC; Assistant Secretary, Franklin Resources, Inc.; and officer of 46 of the investment companies in Franklin Templeton Investments.				
<b>Mark H. Otani (1968)</b> One Franklin Parkway San Mateo, CA 94403-1906	Treasurer, Chief Financial Officer and Chief Accounting Officer	Since 2009	Not Applicable	Not Applicable
<b>Principal Occupation During at Least the Past 5 Years:</b> Director, Global Fund Accounting Operations, Franklin Templeton Investments; and officer of 14 of the investment companies in Franklin Templeton Investments.				
<b>Robert C. Rosselot (1960)</b> 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Chief Compliance Officer	Since 2013	Not Applicable	Not Applicable
<b>Principal Occupation During at Least the Past 5 Years:</b> Director, Global Compliance, Franklin Templeton Investments; Vice President, Franklin Templeton Companies, LLC; officer of 46 of the investment companies in Franklin Templeton Investments; and <b>formerly</b> , Senior Associate General Counsel, Franklin Templeton Investments (2007-2013); and Secretary and Vice President, Templeton Group of Funds (2004-2013).				
<b>Karen L. Skidmore (1952)</b> One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2009	Not Applicable	Not Applicable
<b>Principal Occupation During at Least the Past 5 Years:</b> Senior Associate General Counsel, Franklin Templeton Investments; and officer of 46 of the investment companies in Franklin Templeton Investments.				
<b>Craig S. Tyle (1960)</b> One Franklin Parkway San Mateo, CA 94403-1906	Vice President	Since 2005	Not Applicable	Not Applicable
<b>Principal Occupation During at Least the Past 5 Years:</b> General Counsel and Executive Vice President, Franklin Resources, Inc.; and officer of some of the other subsidiaries of Franklin Resources, Inc. and of 46 of the investment companies in Franklin Templeton Investments.				

Name, Year of Birth and Address	Position	Length of Time Served	Number of Portfolios in Fund Complex Overseen by Board Member*	Other Directorships Held During at Least the Past 5 Years
<b>Lori A. Weber (1964)</b> 300 S.E. 2nd Street Fort Lauderdale, FL 33301-1923	Secretary and Vice President	Secretary since 2013 and Vice President since 2011	Not Applicable	Not Applicable

**Principal Occupation During at Least the Past 5 Years:**

Senior Associate General Counsel, Franklin Templeton Investments; Assistant Secretary, Franklin Resources, Inc.; Vice President and Secretary, Templeton Investment Counsel, LLC; Vice President, Fiduciary Trust International of the South; and officer of 46 of the investment companies in Franklin Templeton Investments.

\*We base the number of portfolios on each separate series of the U.S. registered investment companies within the Franklin Templeton Investments fund complex. These portfolios have a common investment manager or affiliated investment managers.

\*\* Gregory E. Johnson is considered to be an interested person of the Fund under the federal securities laws due to his position as an officer and director of Franklin Resources, Inc. (Resources), which is the parent company of the Fund's investment manager and distributor. Rupert H. Johnson, Jr. is considered to be an interested person of the Fund under the federal securities laws due to his position as officer and director and major shareholder of Resources.

Note 1: Rupert H. Johnson, Jr. is the uncle of Gregory E. Johnson.

Note 2: Officer information is current as of the date of this report. It is possible that after this date, information about officers may change.

Note 3: Effective June 13, 2013, Charles B. Johnson ceased to be a trustee of the Fund.

The Sarbanes-Oxley Act of 2002 and Rules adopted by the U.S. Securities and Exchange Commission require the Fund to disclose whether the Fund's Audit Committee includes at least one member who is an audit committee financial expert within the meaning of such Act and Rules. The Fund's Board has determined that there is at least one such financial expert on the Audit Committee and has designated each of Ann Torre Bates and David W. Niemiec as an audit committee financial expert. The Board believes that Ms. Bates and Mr. Niemiec qualify as such an expert in view of their extensive business background and experience. Ms. Bates has served as a member of the Fund Audit Committee since 2008. She currently serves as a director of Navient Corporation (May 2014), Ares Capital Corporation and United Natural Foods, Inc. and was formerly a director of SLM Corporation from 1997 to 2014 and Allied Capital Corporation from 2003 to 2010, Executive Vice President and Chief Financial Officer of NHP Incorporated and Vice President and Treasurer of US Airways, Inc. Mr. Niemiec has served as a member of the Fund Audit Committee since 2006, currently serves as an Advisor to Saratoga Partners and was formerly its Managing Director from 1998 to 2001. Mr. Niemiec was formerly a director of Emeritus Corporation from 1999 to 2010 and OSI Pharmaceuticals, Inc. from 2006 to 2010, Managing Director of SBC Warburg Dillon Read from 1997 to 1998, and was Vice Chairman from 1991 to 1997 and Chief Financial Officer from 1982 to 1997 of Dillon, Read & Co. Inc. As a result of such background and experience, the Board believes that Ms. Bates and Mr. Niemiec have each acquired an understanding of generally accepted accounting principles and financial statements, the general application of such principles in connection with the accounting estimates, accruals and reserves, and analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues generally comparable to those of the Fund, as well as an understanding of internal controls and procedures for financial reporting and an understanding of audit committee functions. Ms. Bates and Mr. Niemiec are independent Board members as that term is defined under the applicable U.S. Securities and Exchange Commission Rules and Releases.

The Statement of Additional Information (SAI) includes additional information about the board members and is available, without charge, upon request. Shareholders may call (800) DIAL BEN/342-5236 to request the SAI.

# Templeton Global Investment Trust

## Shareholder Information

### Templeton Emerging Markets Balanced Fund

#### Board Review of Investment Management Agreement

At a meeting held February 25, 2014, the Board of Trustees (Board), including a majority of non-interested or independent Trustees, approved renewal of the investment management agreements for each of the separate funds comprising Templeton Global Investment Trust, including Templeton Emerging Markets Balanced Fund (Fund(s)). In reaching this decision, the Board took into account information furnished throughout the year at regular Board meetings, as well as information prepared specifically in connection with the annual renewal review process. Information furnished and discussed throughout the year included investment performance reports and related financial information for each Fund, along with periodic reports on expenses, shareholder services, legal and compliance matters, pricing, brokerage commissions and execution and other services provided by the Investment Manager (Manager) and its affiliates. Information furnished specifically in connection with the renewal process included a report for each Fund prepared by Lipper, Inc. (Lipper), an independent organization, as well as additional material, including a Fund profitability analysis prepared by management. The Lipper reports compared each Fund's investment performance and expenses with those of other mutual funds deemed comparable to the Fund as selected by Lipper. The Fund profitability analysis discussed the profitability to Franklin Templeton Investments from its overall U.S. fund operations, as well as on an individual fund-by-fund basis. Additional material accompanying such profitability analysis included information on a fund-by-fund basis listing portfolio managers and other accounts they manage, as well as information on management fees charged by the Manager and its affiliates to U.S. mutual funds and other accounts, including management's explanation of differences where relevant. Such material also included a memorandum prepared by management describing project initiatives and capital investments relating to the services provided to the Funds by the Franklin Templeton Investments organization, as well as a memorandum relating to economies of scale and an analysis concerning transfer agent fees charged by an affiliate of the Manager.

In considering such materials, the independent Trustees received assistance and advice from and met separately with independent counsel. While the investment management agreements for all Funds were considered at the same Board meeting, the Board dealt with each Fund separately. In approving continuance of the investment management agreement for each Fund, the Board, including a majority of independent Trustees, determined that the management fee structure was fair and reasonable and that continuance of the investment management agreement was in the best interests of each Fund and its shareholders. While attention was given to all information furnished, the following discusses some primary factors relevant to the Board's decision.

**NATURE, EXTENT AND QUALITY OF SERVICES.** The Board was satisfied with the nature and quality of the overall services provided by the Manager and its affiliates to the Fund and its shareholders. In addition to investment performance and expenses discussed later, the Board's opinion was based, in part, upon periodic reports furnished it showing that the investment policies and restrictions for the Fund were consistently complied with as well as other reports periodically furnished the Board covering matters such as the compliance of portfolio managers and other

# Templeton Global Investment Trust

## Shareholder Information *(continued)*

### Templeton Emerging Markets Balanced Fund

#### Board Review of Investment Management Agreement *(continued)*

management personnel with the code of ethics adopted throughout the Franklin Templeton fund complex, the adherence to fair value pricing procedures established by the Board, and the accuracy of net asset value calculations. The Board also noted the extent of benefits provided Fund shareholders from being part of the Franklin Templeton family of funds, including the right to exchange investments between the same class of funds without a sales charge, the ability to reinvest Fund dividends into other funds and the right to combine holdings in other funds to obtain a reduced sales charge. Favorable consideration was given to management's continuous efforts and expenditures in establishing back-up systems and recovery procedures to function in the event of a natural disaster, it being noted that such systems and procedures had functioned well during the Florida hurricanes and blackouts experienced in previous years, and that those operations in the New York/New Jersey area ran smoothly during the period of the 2012 Hurricane Sandy. Among other factors taken into account by the Board were the Manager's best execution trading policies, including a favorable report by an independent portfolio trading analytical firm, which also covered FOREX transactions. Consideration was also given to the experience of the Fund's portfolio management team, the number of accounts managed and general method of compensation. In this latter respect, the Board noted that a primary factor in management's determination of a portfolio manager's bonus compensation was the relative investment performance of the funds he or she managed and that a portion of such bonus was required to be invested in a predesignated list of funds within such person's fund management area so as to be aligned with the interests of shareholders. The Board also took into account the quality of transfer agent and shareholder services provided Fund shareholders by an affiliate of the Manager and the continuous enhancements to the Franklin Templeton website. Particular attention was given to management's conservative approach and diligent risk management procedures, including continuous monitoring of counterparty credit risk and attention given to derivatives and other complex instruments including expanded collateralization requirements. The Board also took into account, among other things, management's efforts in establishing a global credit facility for the benefit of the Fund and other accounts managed by Franklin Templeton Investments to provide a source of cash for temporary and emergency purposes or to meet unusual redemption requests as well as the strong financial position of the Manager's parent company and its commitment to the mutual fund business as evidenced by its subsidization of money market funds.

**INVESTMENT PERFORMANCE.** While consideration was given to performance reports and discussions with portfolio managers at Board meetings during the year, particular attention in assessing performance was given to the Lipper reports furnished for the agreement renewal. The Lipper reports prepared for the Fund showed the investment performance of its Class A shares during 2013 and previous years of operations. The Lipper performance universe for the Fund consisted of all retail and institutional emerging markets funds. The Fund, whose investment objective is a combination of income and capital appreciation, has been in existence for only two full years. The Fund's 2013 and 2012 income returns as shown in the Lipper report were in the highest or

# Templeton Global Investment Trust

## Shareholder Information *(continued)*

### Templeton Emerging Markets Balanced Fund

#### Board Review of Investment Management Agreement *(continued)*

best performing quintile for such universe. However, the Fund's 2013 and 2012 total returns were in the lowest and second-lowest performing quintiles of such universe, respectively. In view of the Fund's short period of operations, the Board did not believe the Fund's performance as shown in the Lipper report to be particularly meaningful.

**COMPARATIVE EXPENSES.** Consideration was given to a comparative analysis of the management fees and total expense ratio of the Fund compared with those of a group of other funds selected by Lipper as its appropriate Lipper expense group. Lipper expense data is based upon historical information taken from each fund's most recent annual report, which reflects historical asset levels that may be quite different from those currently existing, particularly in a period of market volatility. While recognizing such inherent limitation and the fact that expense ratios generally increase as assets decline and decrease as assets grow, the Board believed the independent analysis conducted by Lipper to be an appropriate measure of comparative expenses. In reviewing comparative costs, Lipper provides information on the Fund's contractual investment management fee in comparison with the effective management fee that would have been charged by other funds within its Lipper expense group assuming they were similar in size to the Fund, as well as the actual total expense ratio of the Fund in comparison with those of its Lipper expense group. The Lipper contractual investment management fee analysis includes administrative charges as being part of a management fee, and actual total expenses, for comparative consistency, are shown by Lipper for Fund Class A shares. The Lipper report for the Fund showed its contractual investment management fee rate to be at the median of its Lipper expense group, and its actual total expense ratio was below the median of such group. The Board found such comparative expenses as shown in the Lipper report to be acceptable and noted that this Fund had been in existence for only three years and the Fund's expenses had been subsidized by management fee waivers.

**MANAGEMENT PROFITABILITY.** The Board also considered the level of profits realized by the Manager and its affiliates in connection with the operation of the Fund. In this respect, the Board reviewed the Fund profitability analysis that addresses the overall profitability of Franklin Templeton's U.S. fund business, as well as its profits in providing management and other services to each of the individual funds during the 12-month period ended September 30, 2013, being the most recent fiscal year-end for Franklin Resources, Inc., the Manager's parent. In reviewing the analysis, the Board recognized that allocation methodologies are inherently subjective and various allocation methodologies may be reasonable while producing different results. In this respect, the Board noted that while management continuously makes refinements to its methodologies in response to organizational and product related changes, the overall approach as defined by the primary drivers and activity measurements has remained consistent with that used in the Fund's profitability report presentations from prior years. Additionally, the Fund's independent registered public accounting firm had been engaged by the Manager to periodically review the reasonableness of the allocation methodologies to be used solely by the Fund's Board in reference to the profitability analysis. In reviewing and discussing such analysis, management discussed with the Board its

# Templeton Global Investment Trust

## Shareholder Information *(continued)*

### Templeton Emerging Markets Balanced Fund

#### Board Review of Investment Management Agreement *(continued)*

belief that costs incurred in establishing the infrastructure necessary for the type of mutual fund operations conducted by the Manager and its affiliates may not be fully reflected in the expenses allocated to the Fund in determining its profitability, as well as the fact that the level of profits, to a certain extent, reflected operational cost savings and efficiencies initiated by management. The Board also took into account management's expenditures in improving shareholder services provided the Fund, as well as the need to implement systems to meet additional regulatory and compliance requirements resulting from statutes such as the Sarbanes-Oxley and Dodd-Frank Acts and recent SEC and other regulatory requirements. In addition, the Board considered a third-party study comparing the profitability of the Manager's parent on an overall basis to other publicly held managers broken down to show profitability from management operations exclusive of distribution expenses, as well as profitability including distribution expenses. The Board also considered the extent to which the Manager and its affiliates might derive ancillary benefits from fund operations, including revenues generated from transfer agent services and potential benefits resulting from allocation of fund brokerage and the use of commission dollars to pay for research. Based upon its consideration of all these factors, the Board determined that the level of profits realized by the Manager and its affiliates from providing services to the Fund was not excessive in view of the nature, quality and extent of services provided.

**ECONOMIES OF SCALE.** The Board also considered whether economies of scale are realized by the Manager as the Fund grows larger and the extent to which this is reflected in the level of management fees charged. While recognizing that any precise determination is inherently subjective, the Board noted that based upon the Fund profitability analysis, it appears that as some funds get larger, at some point economies of scale do result in the Manager realizing a larger profit margin on management services provided such a fund. The Board also noted that economies of scale are shared with the Fund and its shareholders through management fee breakpoints so that as a Fund grows in size, its effective management fee rate declines. In view of the specialized nature and size of the Fund, whose expenses are being subsidized by management, the Board questioned whether economies of scale existed. The investment management advisory agreement for the Fund provides for breakpoints that are above the Fund's existing asset size, and to the extent economies of scale may be realized by the Manager and its affiliates, the Board believes the schedule of fees provides a sharing of benefits with the Fund and its shareholders.

# Templeton Global Investment Trust

## Shareholder Information *(continued)*

### Templeton Emerging Markets Balanced Fund

#### Proxy Voting Policies and Procedures

The Fund's investment manager has established Proxy Voting Policies and Procedures (Policies) that the Fund uses to determine how to vote proxies relating to portfolio securities. Shareholders may view the Fund's complete Policies online at [franklintempleton.com](http://franklintempleton.com). Alternatively, shareholders may request copies of the Policies free of charge by calling the Proxy Group collect at (954) 527-7678 or by sending a written request to: Franklin Templeton Companies, LLC, 300 S.E. 2nd Street, Fort Lauderdale, FL 33301, Attention: Proxy Group. Copies of the Fund's proxy voting records are also made available online at [franklintempleton.com](http://franklintempleton.com) and posted on the U.S. Securities and Exchange Commission's website at [sec.gov](http://sec.gov) and reflect the most recent 12-month period ended June 30.

#### Quarterly Statement of Investments

The Fund files a complete statement of investments with the U.S. Securities and Exchange Commission for the first and third quarters for each fiscal year on Form N-Q. Shareholders may view the filed Form N-Q by visiting the Commission's website at [sec.gov](http://sec.gov). The filed form may also be viewed and copied at the Commission's Public Reference Room in Washington, DC. Information regarding the operations of the Public Reference Room may be obtained by calling (800) SEC-0330.

#### Householding of Reports and Prospectuses

You will receive the Fund's financial reports every six months as well as an annual updated summary prospectus (prospectus available upon request). To reduce Fund expenses, we try to identify related shareholders in a household and send only one copy of the financial reports and summary prospectus. This process, called "householding," will continue indefinitely unless you instruct us otherwise. If you prefer not to have these documents househanded, please call us at (800) 632-2301. At any time you may view current prospectuses/summary prospectuses and financial reports on our website. If you choose, you may receive these documents through electronic delivery.



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# Franklin Templeton Funds

**Literature Request.** To receive a summary prospectus and/or prospectus, please call us at (800) DIAL BEN/342-5236 or visit [franklintempleton.com](http://franklintempleton.com) or [etf.franklintempleton.com](http://etf.franklintempleton.com) for Franklin Short Duration U.S. Government ETF. Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing. The prospectus contains this and other information. Please carefully read a prospectus before investing.

## VALUE

Franklin All Cap Value Fund  
Franklin Balance Sheet Investment Fund  
Franklin Large Cap Value Fund  
Franklin MicroCap Value Fund<sup>1</sup>  
Franklin MidCap Value Fund  
Franklin Small Cap Value Fund  
Mutual Beacon Fund  
Mutual Quest Fund  
Mutual Recovery Fund<sup>2</sup>  
Mutual Shares Fund

## BLEND

Franklin Focused Core Equity Fund  
Franklin Large Cap Equity Fund  
Franklin Rising Dividends Fund

## GROWTH

Franklin DynaTech Fund  
Franklin Flex Cap Growth Fund  
Franklin Growth Fund  
Franklin Growth Opportunities Fund  
Franklin Small Cap Growth Fund  
Franklin Small-Mid Cap Growth Fund

## SECTOR

Franklin Biotechnology Discovery Fund  
Franklin Global Listed Infrastructure Fund  
Franklin Global Real Estate Fund  
Franklin Gold & Precious Metals Fund  
Franklin Natural Resources Fund  
Franklin Real Estate Securities Fund  
Franklin Utilities Fund  
Mutual Financial Services Fund

## GLOBAL

Franklin World Perspectives Fund  
Mutual Global Discovery Fund  
Templeton Global Opportunities Trust  
Templeton Global Smaller Companies Fund  
Templeton Growth Fund  
Templeton World Fund

## INTERNATIONAL

Franklin India Growth Fund  
Franklin International Growth Fund  
Franklin International Small Cap Growth Fund<sup>3</sup>  
Mutual European Fund  
Mutual International Fund  
Templeton Asian Growth Fund<sup>4</sup>  
Templeton BRIC Fund  
Templeton China World Fund  
Templeton Developing Markets Trust  
Templeton Emerging Markets Small Cap Fund  
Templeton Foreign Fund  
Templeton Foreign Smaller Companies Fund<sup>5</sup>  
Templeton Frontier Markets Fund<sup>6</sup>

## HYBRID

Franklin Balanced Fund  
Franklin Convertible Securities Fund  
Franklin Equity Income Fund  
Franklin Income Fund  
Templeton Emerging Markets Balanced Fund  
Templeton Global Balanced Fund

## ALTERNATIVE

Franklin K2 Alternative Strategies Fund  
Franklin Pelagos Commodities Strategy Fund

## ASSET ALLOCATION

Franklin LifeSmart™ Retirement Target Funds (2015-2050)  
Franklin Templeton Corefolio® Allocation Fund  
Franklin Templeton Founding Funds Allocation Fund  
Franklin Templeton Conservative Allocation Fund  
Franklin Templeton Growth Allocation Fund  
Franklin Templeton Moderate Allocation Fund  
Franklin Templeton Global Allocation Fund  
Franklin Templeton Multi-Asset Real Return Fund

## FIXED INCOME

Franklin Adjustable U.S. Government Securities Fund<sup>7</sup>  
Franklin Floating Rate Daily Access Fund  
Franklin Global Government Bond Fund  
Franklin High Income Fund

Franklin Limited Maturity U.S. Government Securities Fund<sup>8</sup>  
Franklin Low Duration Total Return Fund  
Franklin Real Return Fund  
Franklin Short Duration U.S. Government ETF  
Franklin Strategic Income Fund  
Franklin Strategic Mortgage Portfolio  
Franklin Templeton Hard Currency Fund  
Franklin Total Return Fund  
Franklin U.S. Government Securities Fund<sup>7</sup>  
Templeton Constrained Bond Fund  
Templeton Emerging Markets Bond Fund  
Templeton Global Bond Fund  
Templeton Global Total Return Fund  
Templeton International Bond Fund

## TAX-FREE INCOME<sup>9</sup>

### National

Double Tax-Free Income Fund<sup>10</sup>  
Federal Tax-Free Income Fund  
High Yield Tax-Free Income Fund  
Insured Tax-Free Income Fund<sup>11, 12</sup>

### Limited-/Intermediate-Term

California Intermediate-Term Tax-Free Income Fund  
Federal Intermediate-Term Tax-Free Income Fund  
Federal Limited-Term Tax-Free Income Fund  
New York Intermediate-Term Tax-Free Income Fund

### State-Specific

Alabama	Kentucky	New York
Arizona	Louisiana	(2 funds)
California	Maryland	North Carolina
(4 funds) <sup>12</sup>	Massachusetts	Ohio
Colorado	Michigan	Oregon
Connecticut	Minnesota	Pennsylvania
Florida	Missouri	Tennessee
Georgia	New Jersey	Virginia

## INSURANCE FUNDS

Franklin Templeton Variable Insurance Products Trust<sup>13</sup>

1. The fund is closed to new investors. Existing shareholders and select retirement plans may add to their accounts.
2. The fund is a continuously offered, closed-end fund. Shares may be purchased daily; there is no daily redemption. However, each quarter, pending board approval, the fund will authorize the repurchase of 5%–25% of the outstanding number of shares. Investors may tender all or a portion of their shares during the tender period.
3. Effective 6/3/13, the fund closed to new investors, with limited exceptions.
4. Effective 3/18/14, the fund closed to new investors, with limited exceptions. A fund liquidation is anticipated to occur on or about 5/20/14.
5. Effective 12/10/13, the fund closed to new investors, with limited exceptions.
6. Effective 6/28/13, the fund closed to new investors. Existing shareholders and select retirement plans may add to their accounts.

7. An investment in the fund is neither insured nor guaranteed by the U.S. government or by any other entity or institution.
8. Effective 1/22/14, the fund closed to new investors, with limited exceptions.
9. For investors subject to the alternative minimum tax, a small portion of fund dividends may be taxable. Distributions of capital gains are generally taxable.
10. The fund is closed to all new investments (other than reinvestment of dividends and capital gains distributions).
11. The fund invests primarily in insured municipal securities.
12. Franklin Insured Tax-Free Income Fund and Franklin California Insured Tax-Free Income Fund are closed to all new investments (other than reinvestment of dividends and capital gains distributions).
13. The funds of the Franklin Templeton Variable Insurance Products Trust are generally available only through insurance company variable contracts.

VALUE BLEND GROWTH SECTOR GLOBAL INTERNATIONAL **HYBRID** ALTERNATIVE ASSET ALLOCATION FIXED INCOME TAX-FREE INCOME



FRANKLIN TEMPLETON  
INVESTMENTS

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Annual Report and Shareholder Letter

## TEMPLETON EMERGING MARKETS BALANCED FUND

**Investment Manager**

Templeton Asset Management Ltd.

**Subadvisor**

Franklin Advisers, Inc.

**Distributor**

Franklin Templeton Distributors, Inc.

(800) DIAL BEN®/342-5236

franklintempleton.com

**Shareholder Services**

(800) 632-2301

Authorized for distribution only when accompanied or preceded by a summary prospectus and/or prospectus. Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing. A prospectus contains this and other information; please read it carefully before investing.

To help ensure we provide you with quality service, all calls to and from our service areas are monitored and/or recorded.