FRANKLIN TEMPLETON INVESTMENTS

Semiannual Report and Shareholder Letter
September 30, 2015

Templeton Emerging Markets Balanced Fund

A SERIES OF TEMPLETON GLOBAL INVESTMENT TRUST

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Franklin Templeton Investments

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At Franklin Templeton Investments, we're dedicated to one goal: delivering exceptional asset management for our clients. By bringing together multiple, world-class investment teams in a single firm, we're able to offer specialized expertise across styles and asset classes, all supported by the strength and resources of one of the world's largest asset managers. This has helped us to become a trusted partner to individual and institutional investors across the globe.

Dear Shareholder:

The global economy grew moderately during the six months under review. Global financial liquidity remained high as major developed market central banks maintained accommodative monetary policies and certain emerging market central banks, notably China's, expanded monetary easing measures. The People's Bank of China effectively devalued the Chinese renminbi to support the country's exports, which led to investor anxiety about moderating growth in China and globally. Furthermore, the depreciation of many foreign currencies against the U.S. dollar hindered returns of many assets in U.S. dollar terms. In this environment, emerging market stocks, as measured by the MSCI Emerging Markets Index, and emerging market bonds, as measured by the J.P. Morgan Emerging Markets Bond Index Global, had negative returns for the six months ended September 30, 2015.

Although the recent global environment has been challenging, we remain optimistic about many emerging market economies as they continue to show growth. In all economic environments, we remain committed to our long-term, disciplined investment approach as we conduct diligent, fundamental analysis of securities with a continual emphasis on investment risk management as we seek to find what we consider to be bargain opportunities.

Templeton Emerging Markets Balanced Fund's semiannual report includes more detail about prevailing conditions during the period under review and a discussion from the portfolio managers. Please remember all securities markets fluctuate, as do mutual fund share prices.

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 60 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 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,

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

This letter reflects our analysis and opinions as of September 30, 2015. 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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Visit **franklintempleton.com** for fund updates, to access your account, or to find helpful financial planning tools.

Semiannual Report

Templeton Emerging Markets Balanced Fund

This semiannual report for Templeton Emerging Markets Balanced Fund covers the period ended September 30, 2015.

Your Fund's Goal and Main Investments

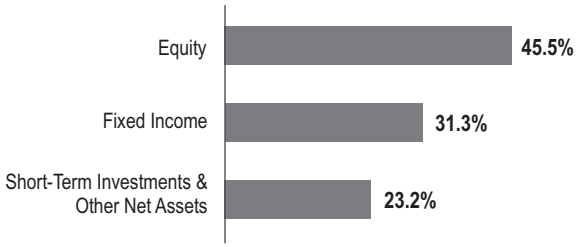
The Fund seeks both income and capital appreciation. Under normal market conditions, the Fund invests at least 80% of its net assets plus any borrowings in a diversified portfolio of equity securities and fixed and floating rate debt obligations issued by governments, government-related entities and 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.

Economic and Market Overview

The global economy expanded moderately during the six months under review. Although several emerging market countries faced headwinds such as soft domestic demand, weak exports and geopolitical crises, emerging market economies overall continued to grow faster than developed market economies. China's economy grew at a less robust pace in 2015's first nine months, amid relatively steady consumption and industrial production growth but weaker fixed-asset investment growth and lower imports and exports. Domestic demand continued to account for a greater portion of gross domestic product, as per-capita income rose and the government implemented market-friendly policies in an effort to support more sustainable growth. In the second quarter, Brazil's economy entered recession and Russia's economic recession deepened. Despite signs of moderating growth during the six-month period in some emerging market countries, growth in India, Mexico and South Korea showed signs of improvement.

Many emerging market central banks, including those of Russia and India, lowered benchmark interest rates to promote economic growth. The People's Bank of China (PBOC) cut its benchmark interest rate and reduced the cash reserve requirement ratio for the country's banks several times. Toward period-end, the PBOC effectively devalued the renminbi seeking to support export growth. In contrast, Brazil's central bank raised its benchmark interest rate despite an economic downturn, in an effort to control inflation and support the country's currency.

Asset Allocation*
Based on Total Net Assets as of 9/30/15



*Figures reflect certain derivatives held in the portfolio (or their underlying reference assets) and may not total 100% or may be negative due to rounding, use of any derivatives, unsettled trades or other factors.

Events in China significantly affected stock performance in all regions, especially toward period-end. The Chinese government's efforts to promote stable growth supported Chinese equity markets overall early in the period, particularly the domestic A-share market.[1] After peaking on June 12, China's domestic A-share market began to correct, resulting initially from tight liquidity conditions and uncertainties about the PBOC's monetary policy. Despite the PBOC's additional monetary easing efforts and the government's measures to prevent a market collapse, the domestic market continued to decline and weighed on Hong Kong Stock Exchange-listed shares. Emerging market stocks weakened further in August, led by Chinese and other Asian stocks, after the PBOC allowed the renminbi to depreciate. The PBOC's action sparked investor concerns about China's economy and the possibility of a regional currency war. In late August, China expanded its monetary and fiscal stimulus efforts.

Investor concerns about moderating global economic growth, the future course of U.S. monetary policy, Greece's debt negotiations and the depreciation of many currencies against the U.S. dollar also contributed to stock market volatility. Price

1. "A" denotes shares of companies incorporated in China that are listed on the Shanghai and Shenzhen Stock Exchanges, are quoted in the Chinese renminbi and entail foreign investment regulations.

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 18.

declines of many commodities, particularly crude oil, negatively affected certain commodity-producing countries' economies, financial positions and currencies, weighing further on investor sentiment. However, accommodative policies of many major central banks provided investors with some optimism. In the middle of the period, investors grew concerned about Greece's loan default, but their confidence improved after Greece and its international creditors agreed on a third bailout package. In September, the U.S. Federal Reserve's (Fed's) decision to leave the federal funds target rate unchanged initially helped support emerging market stocks, but the Fed's concerns about global economic growth hurt investor confidence near period-end.

During the period, we continued to see differentiations among specific emerging market economies; some had healthy current account and fiscal balances with strong export-driven economies, while others struggled with deficits and economic imbalances. We believed that economies with healthier balances and stronger growth prospects would be in a stronger position to potentially raise rates in conjunction with Fed rate hikes that could occur in the second half of 2015.

The U.S. dollar broadly strengthened against most developed and emerging market currencies during the six-month period. Global bond yields and spread levels fluctuated, with an overall trend to lower yields in Europe and Asia, and a general increase in yields in Latin America. U.S. Treasury yields shifted throughout the period with the yield on the 10-year U.S. Treasury note beginning the period at 1.94% and rising to a high of 2.50% in June, before declining to 2.06% by the end of the period. Credit spreads widened in Asia, Latin America and areas within peripheral Europe during the period.

In the weeks before the six-month reporting period began, the European Central Bank (ECB) launched a new quantitative easing (QE) program with the aim of increasing the size of its balance sheet to a level higher than its previous peak. The ECB stated intentions to continue its asset purchases until it sees a sustained adjustment in the path of inflation, making the program effectively open ended. During the period, we anticipated that QE would keep interest rates low for a while and that it would put further downward pressure on the euro. The euro appreciated 3.93% against the U.S. dollar over the six-month period.[2]

In China, we viewed the country's moderation of growth as an inevitable normalization for an economy of its size. Despite the sudden decline of Chinese equity markets in late June and July 2015, we believed growth in China would remain on its expansionary pace and that the economy was fundamentally more stable than markets indicated. However, the devaluation of the Chinese yuan in mid-August by about 3% appeared to raise fears of a deeper, potentially uncontrolled depreciation. We believed that the Chinese authorities would focus on keeping currency depreciation reasonably controlled and that targeted monetary policies were prudent responses to a moderating economy.

In July and August 2015, global volatility increased significantly with sharp declines in the bond markets and currencies of several emerging market countries. In our assessment, the depreciations of several emerging market currencies were excessive, leading to fundamentally cheap valuations. In keeping with our fixed income strategy, we look for opportunities to selectively add to our strongest convictions in periods of volatility and believe that global market fundamentals will eventually re-emerge. Despite the escalation in near-term volatility that persisted through the end of the period, our medium-term convictions remained intact.

For the six months ended September 30, 2015, emerging market stocks, as measured by the MSCI Emerging Markets (EM) Index, had a -17.11% total return, with all major regions posting negative returns.[3] The J.P. Morgan (JPM) Emerging Markets Bond Index (EMBI) Global, which measures performance of U.S. dollar-denominated emerging market bonds, had a -2.33% total return for the same period, as Europe delivered gains while other major regions had negative returns.[3]

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 consider various factors, including evaluation of interest and currency exchange rate changes and credit risks. We regularly enter into currency-related transactions involving certain derivative

2. Source: FactSet.

3. Source: Morningstar.

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

instruments, principally currency and cross currency forwards, but we may also use 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.

What is a currency forward contract?

A currency forward contract, or a currency forward, 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 underlying instrument or asset at a specific price on a future date.

Performance Overview

The Fund's Class A shares had a -16.51% cumulative total return for the six months ended September 30, 2015. For comparison, an equally weighted combination of the MSCI EM Index and the JPM EMBI Global had a -9.89% total return for the same period.[4] 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 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 9.

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*** *or call* ***(800) 342-5236*** *for most recent month-end performance.*

Manager's Discussion

We continued to allocate in favor of equities during the period as we sought to take advantage of valuation opportunities within emerging market equities. Within fixed income, we sought to take advantage of valuation opportunities in emerging market countries with favorable growth prospects, low indebtedness and higher reserves.

Equity

During the latter part of the six months under review, a global stock price correction exacerbated by the U.S. dollar's strength against most foreign currencies affected the performance of most of the Fund's equity investments. Consistent with our long-term investment strategy, we viewed such periods of heightened market volatility in the context of a historical, long-term uptrend. We continued to monitor global economic and market developments while seeking to minimize risk and to establish long-term positions in quality companies at share prices we considered attractive.

Major detractors from the Fund's absolute performance during the reporting period included Brilliance China Automotive Holdings, Bank Danamon Indonesia and MGM China Holdings.

Brilliance China Automotive is a manufacturer of vehicles and related automotive components, including engines. The company produces a range of domestic-branded minibuses and light trucks, but its major operation is a joint venture with German carmaker BMW to produce and sell BMW vehicles in China. Recent weak demand trends in China's automobile market and intensifying competition in the luxury car segment, which pressured profit margins in 2015's first half, weighed on investor sentiment. Further hurting share price performance was an earnings decline resulting from higher costs associated with Brilliance's opening of two new plants and promotion of three new BMW models scheduled for late 2015 and 2016 launches.

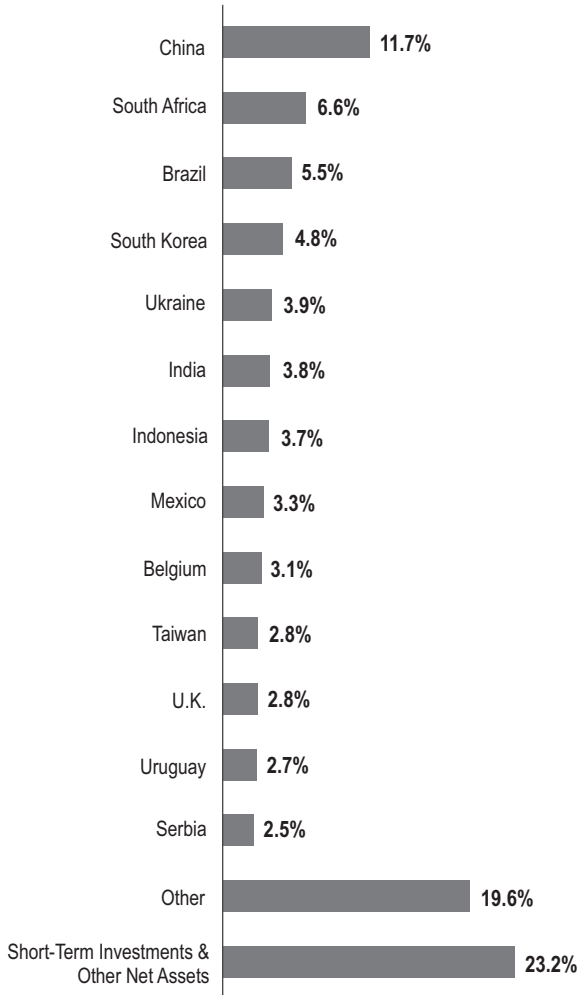
Bank Danamon Indonesia, one of the country's 10 largest banks in terms of assets and loans, focuses on microlending and mass market and consumer loans. Disappointing first-half 2015 earnings results, stemming from lower net interest margin due to slower loan growth, combined with higher loan-loss provisions, weighed on investor sentiment. Additionally, investors grew concerned about deteriorating asset quality and an increase in non-performing loans amid a weak economic environment. Further contributing to stock price weakness was a sharp sell-off in the Indonesian market due to China's sluggish economic data and precautionary selling by international investors concerned about the Indonesian rupiah's volatility after the PBOC effectively devalued the Chinese renminbi.

MGM China Holdings is a Hong Kong-listed casino gaming and entertainment business based in Macau. Shares of casino gaming companies, including MGM China's, declined due to

4. Source: Morningstar. 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 six months ended 9/30/15, the MSCI EM Index had a -17.11 % total return and the JPM EMBI Global had a -2.33% total return.

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

Geographic Breakdown*
Based on Total Net Assets as of 9/30/15



*Figures reflect certain derivatives held in the portfolio (or their underlying reference assets) and may not total 100% or may be negative due to rounding, use of any derivatives, unsettled trades or other factors.

investor concerns about pressures on the junket industry, which provides services to VIP gamblers. China's ongoing anti-corruption campaign led to a decrease in the number of high-stakes gamblers, resulting in Macau's double-digit gambling revenue decline. Reduced dividends also weighed on investor sentiment. Notwithstanding weak revenue trends, MGM China reported better-than-expected second-quarter earnings, resulting from efficient cost controls.

Despite a challenging market environment, several Fund holdings performed well. Key contributors to the Fund's absolute performance during the reporting period included Infosys, United Bank and Yanzhou Coal Mining.

Infosys is a leading Indian information technology (IT) services and technology outsourcing business. The June quarter's results indicated a continuation of a recent solid sales growth trend, which suggested to investors the company had begun to move beyond an earlier growth pause, driving shares higher. Increased sales to existing clients addressed investor concerns about recent company performance. The Indian rupee's weakness against the U.S. dollar also helped the company during the period under review.

We divested the Fund's investment in United Bank early in the reporting period and switched to its peer, Habib Bank. In accordance with Pakistan's reform and privatization program, the government sold its holding in Habib Bank in April at a discount to market price. We used this opportunity to invest in the large and well-managed Habib Bank, which has a larger domestic market exposure than United Bank.

Chinese stocks generally performed well in the earlier part of the reporting period as investors expected the PBOC's ongoing monetary easing and Chinese authorities' market-friendly measures to facilitate mainland Chinese institutional investors' purchases of China H shares.[5] Coal producer Yanzhou Coal Mining's share price appreciated significantly in April, leading valuations to become increasingly expensive. We subsequently sold the Fund's position in the company.

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 six months ended September 30, 2015, 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 undervalued investments with attractive fundamentals led us to increase the Fund's equity investments largely in Hong Kong, South Korea and India. Additionally, we made some purchases in Brazil and Greece and initiated equity exposure to Cambodia. In sector terms, we increased the Fund's equity holdings largely

5. "China H" denotes shares of China-incorporated, Hong Kong Stock Exchange-listed companies with most businesses in China.

Top Five Equity Holdings
9/30/15

Company *Sector/Industry, Country*	% of Total Net Assets
Anheuser-Busch InBev NV *Beverages, Belgium*	3.1%
Naspers Ltd., N *Media, South Africa*	3.1%
Taiwan Semiconductor Manufacturing Co. Ltd. *Semiconductors & Semiconductor Equipment, Taiwan*	2.8%
Unilever PLC *Personal Products, U.K.*	2.8%
Tencent Holdings Ltd. *Internet Software & Services, China*	2.0%

Top Five Fixed Income Holdings*
9/30/15

Issue/Issuer	% of Total Net Assets
Government of Mexico	3.3%
Nota Do Tesouro Nacional, Brazil	2.1%
Government of Sri Lanka	1.9%
Government of Hungary	1.9%
Serbia Treasury Note	1.9%

*Excludes short-term investments.

in IT, consumer staples and consumer discretionary.[6] Key purchases included additional investment in Banco Bradesco, one of Brazil's largest financial conglomerates, and new positions in Baidu.com, China's leading Internet search engine, and sportswear manufacturer Fila Korea, owner of the FILA brand, a major sportswear brand in South Korea and globally.

Conversely, we conducted some sales as we sought to focus on equity opportunities we considered to be more attractive within our investment universe. As a result, we trimmed the Fund's equity holdings in Thailand, Pakistan and China mainly via China H shares. Additionally, we made some sales in South Africa and eliminated equity exposure in certain countries, notably Turkey. In sector terms, we reduced equity investments in financials, energy, industrials and materials.[7] Key sales included trimming the Fund's investment in Remgro, a South African diversified holding company, and closing positions in United Bank, one of Pakistan's five largest banks, mentioned earlier, and PTT, a Thailand-based oil and gas company.

Fixed Income

The core of our strategy during the reporting period remained seeking to position ourselves to navigate a rising interest rate environment. Thus, we continued to maintain low portfolio duration while aiming at a negative correlation with U.S. Treasury rates. We were positioned with negative duration exposure to U.S. Treasuries, and we held select local currencies and local bond positions in specific emerging markets. We also actively sought opportunities that could potentially offer positive real yields without taking undue interest rate risk. We favored countries that we believe have solid underlying fundamentals and policymakers who have stayed ahead of the curve regarding fiscal, monetary and financial policy. We continued to selectively invest in credit opportunities across emerging markets, with a particular focus on credit exposures in economies with strong growth indicators. During the period, we used currency forward contracts to actively manage exposure to currencies. We also used interest rate swaps to tactically manage duration exposures.

What is an interest rate swap?

An interest rate swap is an agreement between two parties to exchange interest rate obligations, generally one based on an interest rate fixed to maturity and the other based on an interest rate that changes in accordance with changes in a designated benchmark (for example, LIBOR, prime, commercial paper or other benchmarks).

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.

During the period, overall credit exposures and interest rate strategies contributed to absolute performance. Credit exposures in Europe significantly contributed to absolute return. The Fund maintained a defensive approach regarding interest rates in developed and emerging markets. Select duration exposures in multiple regions contributed to absolute performance.

6. The IT sector comprises communications equipment; Internet software and services; IT services; semiconductors and semiconductor equipment; software; and technology hardware, storage and peripherals in the equity section of the SOI. The consumer staples sector comprises beverages, food and staples retailing, food products and personal products in the equity section of the SOI. The consumer discretionary sector comprises auto components; automobiles; distributors; hotels, restaurants and leisure; media; specialty retail; and textiles, apparel and luxury goods in the equity section of the SOI.

7. The financials sector comprises banks, diversified financial services, insurance, and real estate management and development in the equity section of the SOI. The energy sector comprises oil, gas and consumable fuels in the equity section of the SOI. The industrials sector comprises construction and engineering in the equity section of the SOI. The materials sector comprises construction materials in the equity section of the SOI.

See www.franklintempletondatasources.com for additional data provider information.

Overall currency positions detracted from absolute performance. Currency positons in Latin America and Asia ex-Japan detracted from absolute return, as did positions in peripheral European currencies against the euro. Credit exposures in Latin America and Africa also detracted from absolute performance.

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

Mark Mobius

Michael Hasenstab, Ph.D.

Dennis Lim
Tom Wu
Allan Lam
Laura Burakreis

Portfolio Management Team

The foregoing information reflects our analysis, opinions and portfolio holdings as of September 30, 2015, 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.

Performance Summary as of September 30, 2015

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 does 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 (Symbol)	**9/30/15**	**3/31/15**	**Change**
A (TAEMX)	$7.79	$9.36	-$1.57
C (N/A)	$7.74	$9.30	-$1.56
R (N/A)	$7.79	$9.35	-$1.56
Advisor (TZEMX)	$7.81	$9.38	-$1.57

Distributions[1] (4/1/15–9/30/15)

Share Class	**Dividend Income**
A	$0.0264
R	$0.0159
Advisor	$0.0402

Performance as of 9/30/15[2]

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[3]	Average Annual Total Return[4]	Value of $10,000 Investment[5]	Total Annual Operating Expenses[6] (with waiver)	Total Annual Operating Expenses[6] (without waiver)
A				1.48%	2.05%
6-Month	-16.51%	-21.31%	$7,869		
1-Year	-20.76%	-25.33%	$7,467		
3-Year	-24.40%	-10.69%	$7,123		
Since Inception (10/3/11)	-12.59%	-4.73%	$8,239		
C				2.23%	2.80%
6-Month	-16.77%	-17.61%	$8,239		
1-Year	-21.26%	-22.02%	$7,798		
3-Year	-25.92%	-9.52%	$7,408		
Since Inception (10/3/11)	-15.08%	-4.01%	$8,492		
R				1.73%	2.30%
6-Month	-16.53%	-16.53%	$8,347		
1-Year	-20.78%	-20.78%	$7,922		
3-Year	-24.81%	-9.07%	$7,519		
Since Inception (10/3/11)	-13.34%	-3.52%	$8,666		
Advisor				1.23%	1.80%
6-Month	-16.34%	-16.34%	$8,366		
1-Year	-20.39%	-20.39%	$7,961		
3-Year	-23.60%	-8.58%	$7,640		
Since Inception (10/3/11)	-11.57%	-3.03%	$8,843		

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*** *or call* ***(800) 342-5236****.*

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 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. 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. The markets for particular securities or types of securities are or may become relatively illiquid. Reduced liquidity will have an adverse impact on the security's value and on the Fund's ability to sell such securities when necessary to meet the Fund's liquidity needs or in response to a specific market event. 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 distribution amount is the sum of the dividend payments to shareholders for the period shown and includes only estimated tax-basis net investment income.
2. The Fund has an expense reduction contractually guaranteed through at least 7/31/16 and a fee waiver associated with any investment 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.
3. Cumulative total return represents the change in value of an investment over the periods indicated.
4. Average annual total return represents the average annual change in value of an investment over the periods indicated. Six-month return has not been annualized.
5. These figures represent the value of a hypothetical $10,000 investment in the Fund over the periods indicated.
6. 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.

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 ÷ $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 x $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.

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 4/1/15	Ending Account Value 9/30/15	Expenses Paid During Period* 4/1/15–9/30/15
A			
Actual	$1,000	$ 834.90	$ 6.97
Hypothetical (5% return before expenses)	$1,000	$1,017.40	$ 7.67
C			
Actual	$1,000	$ 832.30	$10.22
Hypothetical (5% return before expenses)	$1,000	$1,013.85	$11.23
R			
Actual	$1,000	$ 834.70	$ 7.94
Hypothetical (5% return before expenses)	$1,000	$1,016.35	$ 8.72
Advisor			
Actual	$1,000	$ 836.60	$ 5.65
Hypothetical (5% return before expenses)	$1,000	$1,018.85	$ 6.21

*Expenses are calculated using the most recent six-month expense ratio, net of expense waivers, annualized for each class (A: 1.52%; C: 2.23%; R: 1.73%; and Advisor: 1.23%), multiplied by the average account value over the period, multiplied by 183/366 to reflect the one-half year period.

Financial Highlights

Templeton Emerging Markets Balanced Fund

	Six Months Ended September 30, 2015 (unaudited)	Year Ended March 31, 2015	2014	2013	2012[a]
Class A					
Per share operating performance (for a share outstanding throughout the period)					
Net asset value, beginning of period	$9.36	$10.10	$11.38	$11.53	$10.00
Income from investment operations[b]:					
Net investment income[c]	0.15	0.30	0.36	0.34	0.12
Net realized and unrealized gains (losses)	(1.69)	(0.67)	(1.32)	(0.08)	1.47
Total from investment operations	(1.54)	(0.37)	(0.96)	0.26	1.59
Less distributions from:					
Net investment income	(0.03)	(0.37)	(0.31)	(0.41)	(0.06)
Net realized gains	—	—	(0.01)	(—)[d]	—
Total distributions	(0.03)	(0.37)	(0.32)	(0.41)	(0.06)
Net asset value, end of period	$7.79	$ 9.36	$10.10	$11.38	$11.53
Total return[e]	(16.51)%	(3.66)%	(8.27)%	2.21%	15.92%
Ratios to average net assets[f]					
Expenses before waiver and payments by affiliates	2.16%	2.10%	2.04%	2.09%	2.43%
Expenses net of waiver and payments by affiliates	1.52%	1.53%	1.54%	1.44%	1.40%
Net investment income	3.45%	3.00%	3.52%	3.01%	2.16%
Supplemental data					
Net assets, end of period (000's)	$23,976	$30,151	$29,971	$26,559	$14,730
Portfolio turnover rate	42.20%	48.32%	69.27%	4.65%	—%

[a]For the period October 3, 2011 (commencement of operations) to March 31, 2012.

[b]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's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

[c]Based on average daily shares outstanding.

[d]Amount rounds to less than $0.01 per share.

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

[f]Ratios are annualized for periods less than one year.

Templeton Emerging Markets Balanced Fund (continued)

	Six Months Ended September 30, 2015 (unaudited)	Year Ended March 31, 2015	2014	2013	2012[a]
Class C					
Per share operating performance (for a share outstanding throughout the period)					
Net asset value, beginning of period	$9.30	$10.03	$11.32	$11.49	$10.00
Income from investment operations[b]:					
Net investment income[c]	0.12	0.23	0.28	0.24	0.14
Net realized and unrealized gains (losses)	(1.68)	(0.66)	(1.31)	(0.07)	1.41
Total from investment operations	(1.56)	(0.43)	(1.03)	0.17	1.55
Less distributions from:					
Net investment income	—	(0.30)	(0.25)	(0.34)	(0.06)
Net realized gains	—	—	(0.01)	(—)[d]	—
Total distributions	—	(0.30)	(0.26)	(0.34)	(0.06)
Net asset value, end of period	$7.74	$ 9.30	$10.03	$11.32	$11.49
Total return[e]	(16.77)%	(4.27)%	(8.96)%	1.38%	15.49%
Ratios to average net assets[f]					
Expenses before waiver and payments by affiliates	2.87%	2.80%	2.73%	2.88%	3.26%
Expenses net of waiver and payments by affiliates	2.23%	2.23%	2.23%	2.23%	2.23%
Net investment income	2.74%	2.30%	2.83%	2.22%	1.33%
Supplemental data					
Net assets, end of period (000's)	$3,491	$4,079	$4,250	$3,256	$534
Portfolio turnover rate	42.20%	48.32%	69.27%	4.65%	—%

[a]For the period October 3, 2011 (commencement of operations) to March 31, 2012.

[b]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's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

[c]Based on average daily shares outstanding.

[d]Amount rounds to less than $0.01 per share.

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

[f]Ratios are annualized for periods less than one year.

Templeton Emerging Markets Balanced Fund (continued)

	Six Months Ended September 30, 2015 (unaudited)	Year Ended March 31, 2015	2014	2013	2012[a]
Class R					
Per share operating performance (for a share outstanding throughout the period)					
Net asset value, beginning of period	$9.35	$10.09	$11.37	$11.51	$10.00
Income from investment operations[b]:					
Net investment income[c]	0.15	0.29	0.36	0.30	0.13
Net realized and unrealized gains (losses)	(1.69)	(0.68)	(1.34)	(0.07)	1.44
Total from investment operations	(1.54)	(0.39)	(0.98)	0.23	1.57
Less distributions from:					
Net investment income	(0.02)	(0.35)	(0.29)	(0.37)	(0.06)
Net realized gains	—	—	(0.01)	(—)[d]	—
Total distributions	(0.02)	(0.35)	(0.30)	(0.37)	(0.06)
Net asset value, end of period	$7.79	$ 9.35	$10.09	$11.37	$11.51
Total return[e]	(16.53)%	(3.85)%	(8.45)%	1.92%	15.71%
Ratios to average net assets[f]					
Expenses before waiver and payments by affiliates	2.37%	2.30%	2.23%	2.38%	2.76%
Expenses net of waiver and payments by affiliates	1.73%	1.73%	1.73%	1.73%	1.73%
Net investment income	3.24%	2.80%	3.33%	2.72%	1.83%
Supplemental data					
Net assets, end of period (000's)	$41	$52	$53	$56	$20
Portfolio turnover rate	42.20%	48.32%	69.27%	4.65%	—%

[a]For the period October 3, 2011 (commencement of operations) to March 31, 2012.

[b]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's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

[c]Based on average daily shares outstanding.

[d]Amount rounds to less than $0.01 per share.

[e]Total return is not annualized for periods less than one year.

[f]Ratios are annualized for periods less than one year.

Templeton Emerging Markets Balanced Fund (continued)

	Six Months Ended September 30, 2015 (unaudited)	Year Ended March 31, 2015	2014	2013	2012[a]
Advisor Class					
Per share operating performance (for a share outstanding throughout the period)					
Net asset value, beginning of period	$9.38	$10.11	$11.40	$11.54	$10.00
Income from investment operations[b]:					
Net investment income[c]	0.17	0.34	0.42	0.37	0.12
Net realized and unrealized gains (losses)	(1.70)	(0.67)	(1.36)	(0.08)	1.49
Total from investment operations	(1.53)	(0.33)	(0.94)	0.29	1.61
Less distributions from:					
Net investment income	(0.04)	(0.40)	(0.34)	(0.43)	(0.07)
Net realized gains	—	—	(0.01)	(—)[d]	—
Total distributions	(0.04)	(0.40)	(0.35)	(0.43)	(0.07)
Net asset value, end of period	$7.81	$ 9.38	$10.11	$11.40	$11.54
Total return[e]	(16.34)%	(3.28)%	(8.07)%	2.43%	16.07%
Ratios to average net assets[f]					
Expenses before waiver and payments by affiliates	1.87%	1.80%	1.73%	1.88%	2.26%
Expenses net of waiver and payments by affiliates	1.23%	1.23%	1.23%	1.23%	1.23%
Net investment income	3.74%	3.30%	3.83%	3.22%	2.33%
Supplemental data					
Net assets, end of period (000's)	$6,207	$8,068	$8,911	$17,346	$12,087
Portfolio turnover rate	42.20%	48.32%	69.27%	4.65%	—%

[a]For the period October 3, 2011 (commencement of operations) to March 31, 2012.

[b]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's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.

[c]Based on average daily shares outstanding.

[d]Amount rounds to less than $0.01 per share.

[e]Total return is not annualized for periods less than one year.

[f]Ratios are annualized for periods less than one year.

Statement of Investments, September 30, 2015 (unaudited)

Templeton Emerging Markets Balanced Fund

	Industry	Shares/ Warrants	Value
Common Stocks and Other Equity Interests 42.3%			
Belgium 3.1%			
Anheuser-Busch InBev NV	Beverages	9,895	$ 1,049,781
Brazil 0.2%			
M Dias Branco SA	Food Products	4,400	64,459
Mahle-Metal Leve SA Industria e Comercio	Auto Components	400	2,323
Totvs SA	Software	1,600	12,159
			78,941
Cambodia 0.7%			
NagaCorp Ltd.	Hotels, Restaurants & Leisure	370,000	221,518
China 11.7%			
[a] Baidu Inc., ADR	Internet Software & Services	2,835	389,557
Brilliance China Automotive Holdings Ltd.	Automobiles	297,100	349,613
China Construction Bank Corp., H	Banks	611,700	406,477
China Life Insurance Co. Ltd., H	Insurance	66,000	228,228
China Mobile Ltd.	Wireless Telecommunication Services	41,500	489,958
China Petroleum and Chemical Corp., H	Oil, Gas & Consumable Fuels	356,000	217,271
CNOOC Ltd.	Oil, Gas & Consumable Fuels	280,000	286,859
Dah Chong Hong Holdings Ltd.	Distributors	143,700	57,850
Industrial and Commercial Bank of China Ltd., H	Banks	483,600	278,299
[b] Inner Mongolia Yitai Coal Co. Ltd., B	Oil, Gas & Consumable Fuels	18,100	14,788
NetEase Inc., ADR	Internet Software & Services	894	107,387
PetroChina Co. Ltd., H	Oil, Gas & Consumable Fuels	513,000	355,452
Poly Culture Group Corp. Ltd., H	Media	17,600	37,379
Tencent Holdings Ltd.	Internet Software & Services	40,000	668,374
Uni-President China Holdings Ltd.	Food Products	49,400	47,551
			3,935,043
Greece 0.2%			
[a] Alpha Bank AE	Banks	542,545	64,885
[a] National Bank of Greece SA	Banks	37,863	16,293
			81,178
Hong Kong 2.0%			
Dairy Farm International Holdings Ltd.	Food & Staples Retailing	13,500	81,945
MGM China Holdings Ltd.	Hotels, Restaurants & Leisure	289,200	334,719
Sands China Ltd.	Hotels, Restaurants & Leisure	80,800	242,396
			659,060
India 3.8%			
ICICI Bank Ltd., ADR	Banks	36,700	307,546
Infosys Ltd., ADR	IT Services	32,360	617,752
[a] Tata Motors Ltd., ADR	Automobiles	15,510	348,975
			1,274,273
Indonesia 2.0%			
Astra International Tbk PT	Automobiles	584,300	208,394
Bank Danamon Indonesia Tbk PT	Banks	1,934,400	382,258
Semen Indonesia (Persero) Tbk PT	Construction Materials	162,000	100,075
			690,727
Pakistan 0.7%			
Habib Bank Ltd.	Banks	117,800	222,126

Templeton Emerging Markets Balanced Fund (continued)

	Industry	Shares/ Warrants	Value
Common Stocks and Other Equity Interests (continued)			
Philippines 0.2%			
Bloomberry Resorts Corp.	Hotels, Restaurants & Leisure	706,600	$ 78,788
Singapore 0.0%†			
DBS Group Holdings Ltd.	Banks	1,400	15,946
South Africa 6.1%			
Massmart Holdings Ltd.	Food & Staples Retailing	700	5,460
MTN Group Ltd.	Wireless Telecommunication Services	30,476	391,403
Naspers Ltd., N	Media	8,347	1,042,289
Remgro Ltd.	Diversified Financial Services	33,722	613,433
			2,052,585
South Korea 4.4%			
Bukwang Pharmaceutical Co. Ltd.	Pharmaceuticals	253	4,792
Fila Korea Ltd.	Textiles, Apparel & Luxury Goods	2,587	217,180
Hyundai Development Co.	Construction & Engineering	4,600	211,522
KT Skylife Co. Ltd.	Media	13,494	231,690
Samsung Electronics Co. Ltd.	Technology Hardware, Storage & Peripherals	440	420,985
SK Hynix Inc.	Semiconductors & Semiconductor Equipment	14,140	400,261
			1,486,430
Switzerland 0.0%†			
[a] Oriflame Holding AG	Personal Products	1,164	14,438
Taiwan 2.8%			
Taiwan Semiconductor Manufacturing Co. Ltd.	Semiconductors & Semiconductor Equipment	240,000	945,598
Thailand 1.6%			
Land and Houses PCL	Real Estate Management & Development	122,000	27,018
Land and Houses PCL, fgn.	Real Estate Management & Development	82,800	18,337
[a] Land and Houses PCL, wts., 5/05/17	Real Estate Management & Development	566,460	70,749
Univanich Palm Oil PCL, fgn.	Food Products	1,657,000	412,540
			528,644
United Kingdom 2.8%			
Unilever PLC	Personal Products	23,186	941,793
Total Common Stocks and Other Equity Interests (Cost $16,859,878)			14,276,869
[c] **Participatory Notes (Cost $73,172) 0.2%**			
Saudi Arabia 0.2%			
[d] Deutsche Bank AG/London, Samba Financial Group, 144A, 9/27/16	Banks	10,797	66,649
Preferred Stocks 3.0%			
Brazil 3.0%			
Banco Bradesco SA, ADR, pfd.	Banks	97,000	519,920
Itau Unibanco Holding SA, ADR, pfd.	Banks	73,675	487,728
Total Preferred Stocks (Cost $1,187,779)			1,007,648

Templeton Emerging Markets Balanced Fund (continued)

	Industry	Principal Amount*		Value
Corporate Bonds and Notes 3.4%				
Mexico 0.0%†				
[d,e] Corporacion GEO SAB de CV, senior note, 144A, 8.875%, 3/27/22	Household Durables	200,000		$ 6,000
Nigeria 0.5%				
[d] Access Bank PLC, sub. note, 144A, 9.25% to 6/23/19, FRN thereafter, 6/24/21	Banks	200,000		171,000
Poland 0.4%				
[d,f] Play Topco SA, senior note, 144A, PIK, 7.75%, 2/28/20	Communications Equipment	120,000	EUR	136,136
Romania 0.4%				
[d] Cable Communications Systems NV, senior secured note, 144A, 7.50%, 11/01/20	Media	100,000	EUR	115,891
South Africa 0.5%				
[d,f] Edcon Holdings Ltd., senior sub. note, 144A, PIK, 13.375%, 6/30/19	Specialty Retail	213,375	EUR	69,083
[d] Edcon Ltd., senior secured note, 144A, 9.50%, 3/01/18	Specialty Retail	135,000	EUR	89,685
[f] PIK, 8.00%, 6/30/19	Specialty Retail	10,668	EUR	10,215
				168,983
Turkey 0.6%				
[d] Turkiye Is Bankasi, sub. note, 144A, 6.00%, 10/24/22	Banks	200,000		188,714
Ukraine 1.0%				
[d,g] Ukreiximbank (BIZ Finance PLC), loan participation, senior bond, 144A, 9.75%, 1/22/25	Diversified Financial Services	400,000		344,354
Total Corporate Bonds and Notes (Cost $1,588,535)				1,131,078
Foreign Government and Agency Securities 27.9%				
Brazil 2.3%				
Letra Tesouro Nacional, Strip,				
10/01/15		90[h]	BRL	22,681
1/01/16		210[h]	BRL	51,197
7/01/16		30[h]	BRL	6,802
10/01/16		80[h]	BRL	17,470
Nota Do Tesouro Nacional,				
10.00%, 1/01/17		1,690[h]	BRL	401,272
[i] Index Linked, 6.00%, 8/15/18		80[h]	BRL	52,330
[i] Index Linked, 6.00%, 5/15/19		70[h]	BRL	45,578
[i] Index Linked, 6.00%, 8/15/20		20[h]	BRL	12,803
[i] Index Linked, 6.00%, 8/15/22		60[h]	BRL	37,843
[i] Index Linked, 6.00%, 5/15/23		128[h]	BRL	79,813
[i] Index Linked, 6.00%, 8/15/24		10[h]	BRL	6,242
[i] Index Linked, 6.00%, 5/15/45		100[h]	BRL	57,460
				791,491

Templeton Emerging Markets Balanced Fund (continued)

	Principal Amount*		Value
Foreign Government and Agency Securities (continued)			
Ecuador 1.5%			
[d] Government of Ecuador, senior note, 144A, 7.95%, 6/20/24	700,000		$ 496,444
Ghana 1.0%			
Government of Ghana,			
21.00%, 10/26/15	410,000	GHS	108,784
16.90%, 3/07/16	10,000	GHS	2,594
19.24%, 5/30/16	165,000	GHS	42,158
24.44%, 5/29/17	10,000	GHS	2,643
23.00%, 8/21/17	310,000	GHS	80,195
23.23%, 2/19/18	140,000	GHS	37,120
23.47%, 5/21/18	280,000	GHS	74,241
			347,735
Hungary 1.9%			
Government of Hungary,			
4.00%, 4/25/18	3,190,000	HUF	12,108
6.50%, 6/24/19	27,020,000	HUF	111,592
7.50%, 11/12/20	9,330,000	HUF	41,261
5.375%, 2/21/23	70,000		76,241
A, 6.75%, 11/24/17	40,030,000	HUF	160,540
A, 5.50%, 12/20/18	21,560,000	HUF	85,888
A, 7.00%, 6/24/22	5,470,000	HUF	24,128
A, 6.00%, 11/24/23	25,340,000	HUF	108,138
B, 5.50%, 6/24/25	4,180,000	HUF	17,577
			637,473
Indonesia 1.7%			
Government of Indonesia,			
8.375%, 3/15/34	890,000,000	IDR	53,916
FR31, 11.00%, 11/15/20	31,000,000	IDR	2,236
FR34, 12.80%, 6/15/21	1,751,000,000	IDR	135,822
FR35, 12.90%, 6/15/22	31,000,000	IDR	2,471
FR36, 11.50%, 9/15/19	63,000,000	IDR	4,568
FR43, 10.25%, 7/15/22	31,000,000	IDR	2,195
senior bond, FR53, 8.25%, 7/15/21	173,000,000	IDR	11,158
senior bond, FR70, 8.375%, 3/15/24	5,370,000,000	IDR	343,644
senior note, 8.50%, 10/15/16	125,000,000	IDR	8,525
			564,535
Malaysia 0.3%			
Government of Malaysia,			
3.314%, 10/31/17	20,000	MYR	4,538
senior bond, 4.262%, 9/15/16	150,000	MYR	34,450
senior bond, 3.814%, 2/15/17	90,000	MYR	20,613
senior note, 3.172%, 7/15/16	80,000	MYR	18,193
senior note, 3.394%, 3/15/17	50,000	MYR	11,386
senior note, 4.012%, 9/15/17	30,000	MYR	6,901
			96,081

Templeton Emerging Markets Balanced Fund (continued)

	Principal Amount*		Value
Foreign Government and Agency Securities (continued)			
Mexico 3.3%			
Government of Mexico,			
7.25%, 12/15/16	157,300[j]	MXN	$ 968,791
7.75%, 12/14/17	20,460[j]	MXN	130,187
			1,098,978
Mongolia 0.5%			
[d] Government of Mongolia, senior note, 144A, 5.125%, 12/05/22	200,000		162,703
Nigeria 1.0%			
Government of Nigeria, 15.10%, 4/27/17	69,000,000	NGN	346,905
Philippines 0.7%			
Government of the Philippines, senior note, 1.625%, 4/25/16	10,280,000	PHP	219,413
Poland 1.4%			
Government of Poland,			
5.00%, 4/25/16	185,000	PLN	49,592
[k] FRN, 1.79%, 1/25/17	571,000	PLN	150,201
[k] FRN, 1.79%, 1/25/21	579,000	PLN	149,395
Strip, 1/25/16	460,000	PLN	120,455
			469,643
Republic of Montenegro 0.4%			
[d] Government of Montenegro, 144A, 5.375%, 5/20/19	110,000	EUR	127,080
Senegal 0.5%			
[d] Government of Senegal, 144A, 6.25%, 7/30/24	200,000		180,521
Serbia 2.5%			
[d] Government of Serbia, senior note, 144A, 7.25%, 9/28/21	200,000		224,883
Serbia Treasury Note, 10.00%,			
10/18/15	5,500,000	RSD	51,430
1/30/16	390,000	RSD	3,708
2/21/16	39,000,000	RSD	371,934
12/19/16	1,900,000	RSD	18,744
11/08/17	510,000	RSD	5,127
4/27/18	17,600,000	RSD	178,568
			854,394
South Korea 0.4%			
Korea Treasury Bond, senior note,			
2.75%, 6/10/16	76,000,000	KRW	64,680
3.00%, 12/10/16	69,400,000	KRW	59,569
			124,249
Sri Lanka 1.9%			
Government of Sri Lanka,			
10.60%, 7/01/19	1,200,000	LKR	8,905
10.60%, 9/15/19	30,000	LKR	224
9.25%, 5/01/20	160,000	LKR	1,118

Templeton Emerging Markets Balanced Fund (continued)

	Principal Amount*		Value
Foreign Government and Agency Securities (continued)			
Sri Lanka (continued)			
Government of Sri Lanka, (continued)			
[d] 144A, 5.875%, 7/25/22	200,000		$ 193,411
A, 5.80%, 1/15/17	8,300,000	LKR	57,532
A, 7.50%, 8/15/18	20,000	LKR	138
A, 9.00%, 5/01/21	20,610,000	LKR	143,110
A, 11.00%, 8/01/21	960,000	LKR	7,202
B, 5.80%, 7/15/17	2,900,000	LKR	19,784
C, 8.50%, 4/01/18	4,250,000	LKR	30,160
D, 8.50%, 6/01/18	3,780,000	LKR	26,807
[d] senior note, 144A, 6.25%, 10/04/20	165,000		167,906
			656,297
Ukraine 2.9%			
[d] Financing of Infrastructure Projects State Enterprise, senior note, 144A, 9.00%, 12/07/17	490,000		373,870
[d] Government of Ukraine,			
144A, 9.25%, 7/24/17	210,000		163,520
144A, 7.75%, 9/23/20	360,000		277,783
senior bond, 144A, 7.80%, 11/28/22	200,000		154,213
			969,386
Uruguay 2.7%			
[l] Government of Uruguay,			
Index Linked, 4.25%, 4/05/27	456,144	UYU	13,476
senior bond, Index Linked, 5.00%, 9/14/18	80,508	UYU	2,697
senior bond, Index Linked, 4.375%, 12/15/28	9,121,875	UYU	254,831
senior bond, Index Linked, 4.00%, 7/10/30	316,015	UYU	8,472
Uruguay Notas del Tesoro,			
9.50%, 1/27/16	6,154,000	UYU	207,802
11.00%, 3/21/17	80,000	UYU	2,630
7, 13.25%, 4/08/18	1,290,000	UYU	42,456
[l] 10, Index Linked, 4.25%, 1/05/17	31,835	UYU	1,075
[l] 13, Index Linked, 4.00%, 5/25/25	155,992	UYU	4,605
[l] 18, Index Linked, 2.25%, 8/23/17	2,655,039	UYU	86,560
[l] 19, Index Linked, 2.50%, 9/27/22	63,670	UYU	1,798
senior note, 13.90%, 7/29/20	822,000	UYU	27,898
Uruguay Treasury Bill, Strip,			
11/26/15	340,000	UYU	11,446
1/14/16	259,000	UYU	8,561
3/03/16	418,000	UYU	13,542
4/21/16	1,755,000	UYU	55,889
6/09/16	333,000	UYU	10,410
7/28/16	321,000	UYU	9,835
9/15/16	250,000	UYU	7,531
11/03/16	330,000	UYU	9,765
2/10/17	140,000	UYU	4,005
4/03/17	1,935,000	UYU	53,022
5/19/17	2,590,000	UYU	71,647
			909,953

Templeton Emerging Markets Balanced Fund (continued)

	Principal Amount*		Value
Foreign Government and Agency Securities (continued)			
Zambia 1.0%			
[d] Government of Zambia International Bond, 144A, 8.50%, 4/14/24	200,000		$ 161,031
senior bond, 144A, 8.97%, 7/30/27	230,000		184,476
			345,507
Total Foreign Government and Agency Securities (Cost $11,649,526)			9,398,788
Total Investments before Short Term Investments (Cost $31,358,890)			25,881,032
Short Term Investments 21.6%			
Foreign Government and Agency Securities 0.8%			
Indonesia 0.1%			
[m] Indonesia Treasury Bill, 1/07/16 - 2/04/16	438,000,000	IDR	29,336
Malaysia 0.5%			
[m] Bank of Negara Monetary Note, 10/01/15 - 9/15/16	265,000	MYR	59,107
Government of Malaysia, 3.197%, 10/15/15	400,000	MYR	90,966
[m] Malaysia Treasury Bill, 12/04/15 - 8/05/16	220,000	MYR	49,597
			199,670
Mexico 0.1%			
Government of Mexico, 8.00%, 12/17/15	2,900[j]	MXN	17,319
[m] Mexico Treasury Bill, 11/12/15 - 8/18/16	23,290[n]	MXN	13,561
			30,880
Philippines 0.1%			
[m] Philippine Treasury Bill, 2/03/16 - 9/07/16	880,000	PHP	18,573
Uruguay 0.0%†			
[m] Uruguay Treasury Bill, 10/23/15 - 4/11/16	80,000	UYU	2,655
Total Foreign Government and Agency Securities (Cost $316,692)			281,114
Total Investments before Money Market Funds (Cost $31,675,582)			26,162,146
	Shares		
Money Market Funds (Cost $7,022,257) 20.8%			
United States 20.8%			
[a,o] Institutional Fiduciary Trust Money Market Portfolio	7,022,257		7,022,257
Total Investments (Cost $38,697,839) 98.4%			33,184,403
Other Assets, less Liabilities 1.6%			531,122
Net Assets 100.0%			$ 33,715,525

Templeton Emerging Markets Balanced Fund (continued)

[†]Rounds to less than 0.1% of net assets.
[*]The principal amount is stated in U.S. dollars unless otherwise indicated.
[a]Non-income producing.
[b]At September 30, 2015, pursuant to the Fund's policies and the requirements of applicable securities law, the Fund is restricted from trading this security at period end.
[c]See Note 1(f) regarding Participatory Notes.
[d]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 September 30, 2015, the aggregate value of these securities was $4,065,568, representing 12.06% of net assets.
[e]See Note 7 regarding defaulted securities.
[f]Income may be received in additional securities and/or cash.
[g]See Note 1(e) regarding loan participation notes.
[h]Principal amount is stated in 1,000 Brazilian Real Units.
[i]Redemption price at maturity is adjusted for inflation. See Note 1(h).
[j]Principal amount is stated in 100 Mexican Peso Units.
[k]The coupon rate shown represents the rate at period end.
[l]Principal amount of security is adjusted for inflation. See Note 1(h).
[m]The security is traded on a discount basis with no stated coupon rate.
[n]Principal amount is stated in 10 Mexican Peso Units.
[o]See Note 3(f) regarding investments in Institutional Fiduciary Trust Money Market Portfolio.

At September 30 , 2015, the Fund had the following forward exchange contracts outstanding. See Note 1(c).

Forward Exchange Contracts

Currency	Counterparty[a]	Type	Quantity	Contract Amount	Settlement Date	Unrealized Appreciation	Unrealized Depreciation
OTC Forward Exchange Contracts							
Malaysian Ringgit	JPHQ	Buy	310,750	$ 82,340	10/01/15	$ —	$ (11,674)
Malaysian Ringgit	JPHQ	Sell	310,750	69,511	10/01/15	—	(1,154)
Malaysian Ringgit	DBAB	Buy	25,770	6,759	10/05/15	—	(899)
Malaysian Ringgit	DBAB	Buy	238,900	62,654	10/07/15	—	(8,326)
Euro	DBAB	Sell	623,000	790,618	10/15/15	94,130	—
Chilean Peso	DBAB	Buy	55,692,500	81,493	10/21/15	—	(1,656)
Euro	DBAB	Sell	100,000	127,530	10/29/15	15,710	—
Indian Rupee	JPHQ	Buy	12,595,000	194,331	10/29/15	—	(3,198)
Chilean Peso	CITI	Buy	28,321,000	41,102	11/10/15	—	(580)
Chilean Peso	JPHQ	Buy	28,064,000	40,723	11/16/15	—	(592)
Euro	BZWS	Sell	100,000	125,153	11/16/15	13,300	—
Chilean Peso	MSCO	Buy	55,692,500	80,591	11/17/15	—	(959)
Brazilian Real	HSBK	Buy	300,000	105,108	11/20/15	—	(30,841)
Euro	CITI	Sell	363,000	449,793	12/07/15	43,600	—
Euro	DBAB	Sell	137,000	170,044	12/09/15	16,735	—
Chilean Peso	DBAB	Buy	56,385,000	81,205	12/17/15	—	(814)
Euro	JPHQ	Sell	53,000	56,462	12/21/15	—	(2,864)
South Korean Won	JPHQ	Buy	588,927,300	528,025	12/22/15	—	(32,521)
Malaysian Ringgit	HSBK	Buy	550,000	126,321	12/28/15	—	(1,694)
Euro	DBAB	Sell	41,018	49,198	1/07/16	3,265	—
Malaysian Ringgit	JPHQ	Buy	155,000	41,932	1/11/16	—	(6,838)
Euro	CITI	Sell	28,594	33,537	1/20/16	1,507	—
Euro	DBAB	Sell	120,000	136,914	1/29/16	2,473	—
Philippine Peso	DBAB	Buy	5,554,840	121,997	1/29/16	—	(4,203)
Euro	DBAB	Sell	100,000	113,630	2/03/16	1,583	—
Euro	DBAB	Sell	339,000	388,335	2/23/16	8,332	—

Templeton Emerging Markets Balanced Fund (continued)

Forward Exchange Contracts (continued)

Currency	Counterparty[a]	Type	Quantity	Contract Amount	Settlement Date	Unrealized Appreciation	Unrealized Depreciation
OTC Forward Exchange Contracts (continued)							
Malaysian Ringgit	HSBK	Buy	250,000	$ 58,146	2/29/16	$ —	$ (1,705)
Uruguayan Peso	CITI	Buy	580,000	21,045	3/09/16	—	(2,673)
Uruguayan Peso	CITI	Sell	580,000	18,384	3/09/16	12	—
Euro	DBAB	Sell	66,600	71,212	3/18/16	—	(3,482)
Euro	JPHQ	Sell	66,000	71,138	3/24/16	—	(2,893)
Euro	JPHQ	Sell	27,000	29,872	3/29/16	—	(417)
Philippine Peso	DBAB	Buy	5,554,840	116,823	3/31/16	560	—
Malaysian Ringgit	JPHQ	Buy	310,750	68,849	4/01/16	1,178	—
Ghanaian Cedi	BZWS	Buy	29,574	6,266	4/08/16	680	—
Euro	JPHQ	Sell	130,000	141,631	4/21/16	—	(4,290)
Euro	DBAB	Sell	121,000	130,995	4/22/16	—	(4,827)
Euro	BZWS	Sell	136,000	156,210	5/18/16	3,448	—
Euro	JPHQ	Sell	109,400	125,560	5/20/16	2,671	—
South Korean Won	JPHQ	Buy	145,000,000	132,523	5/23/16	—	(10,689)
South Korean Won	JPHQ	Buy	145,000,000	130,267	5/31/16	—	(8,436)
Euro	DBAB	Sell	123,000	137,860	6/06/16	—	(367)
Ghanaian Cedi	BZWS	Buy	60,000	11,505	6/10/16	2,065	—
Philippine Peso	DBAB	Buy	1,885,120	41,094	6/30/16	—	(1,487)
Philippine Peso	JPHQ	Buy	1,863,000	40,704	7/01/16	—	(1,563)
Malaysian Ringgit	JPHQ	Buy	361,050	93,600	7/05/16	—	(12,700)
Euro	DBAB	Sell	31,000	34,523	8/05/16	—	(373)
Mexican Peso	CITI	Buy	7,208,000	428,054	8/08/16	—	(12,977)
Euro	DBAB	Sell	117,750	130,950	8/15/16	—	(1,638)
Euro	DBAB	Sell	120,000	135,720	8/31/16	538	—
Mexican Peso	CITI	Buy	7,253,572	415,297	9/06/16	1,332	—
Totals Forward Exchange Contracts unrealized appreciation (depreciation)						$213,119	$(179,330)
Net unrealized appreciation (depreciation)						$ 33,789	

[a]May be comprised of multiple contracts with the same counterparty, currency and settlement date.

Templeton Emerging Markets Balanced Fund (continued)

At September 30, 2015, the Fund had the following interest rate swap contracts outstanding. See Note 1(c).

Interest Rate Swap Contracts

Description	Exchange	Notional Amount	Expiration Date	Unrealized Appreciation	Unrealized Depreciation
Centrally Cleared Swap Contracts					
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 0.926%	LCH	$810,000	10/17/17	$ —	$ (5,412)
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 2.775%	CME	20,000	10/04/23	—	(1,705)
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 2.795%	CME	20,000	10/04/23	—	(1,737)
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 2.765%	CME	20,000	10/07/23	—	(1,688)
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 1.914%	LCH	680,000	1/22/25	329	—
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 1.970%	LCH	850,000	1/23/25	—	(3,733)
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 1.973%	LCH	510,000	1/27/25	—	(2,254)
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 1.937%	LCH	130,000	1/29/25	—	(141)
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 1.942%	LCH	110,000	1/30/25	—	(153)
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 1.817%	LCH	160,000	2/03/25	1,611	—
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 3.668%	CME	10,000	10/04/43	—	(2,592)
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 3.687%	CME	10,000	10/04/43	—	(2,632)
Receive Floating rate 3-month USD BBA LIBOR Pay Fixed rate 3.675%	CME	10,000	10/07/43	—	(2,606)
Totals Interest Rate Swap Contracts				$1,940	$(24,653)
Net unrealized appreciation (depreciation)					$(22,713)

See Abbreviations on page 43.

Financial Statements

Statement of Assets and Liabilities
September 30, 2015 (unaudited)

Templeton Emerging Markets Balanced Fund

Assets:	
Investments in securities:	
Cost - Unaffiliated issuers	$31,675,582
Cost - Sweep Money Fund (Note 3f)	7,022,257
Total cost of investments	$38,697,839
Value - Unaffiliated issuers	$26,162,146
Value - Sweep Money Fund (Note 3f)	7,022,257
Total value of investments	33,184,403
Cash	54,724
Restricted Cash (Note 1d)	40,000
Foreign currency, at value (cost $469,631)	465,682
Receivables:	
Investment securities sold	7,313
Capital shares sold	15,607
Dividends and interest	306,888
Due from brokers	141,453
Variation margin	2,142
Unrealized appreciation on OTC forward exchange contracts	213,119
Other assets	12
Total assets	34,431,343
Liabilities:	
Payables:	
Investment securities purchased	319,331
Capital shares redeemed	103,054
Management fees	12,335
Distribution fees	16,691
Transfer agent fees	14,136
Due to brokers	40,000
Unrealized depreciation on OTC forward exchange contracts	179,330
Deferred tax	4,715
Accrued expenses and other liabilities	26,226
Total liabilities	715,818
Net assets, at value	$33,715,525
Net assets consist of:	
Paid-in capital	$47,369,944
Undistributed net investment income	313,050
Net unrealized appreciation (depreciation)	(5,514,757)
Accumulated net realized gain (loss)	(8,452,712)
Net assets, at value	$33,715,525

Statement of Assets and Liabilities (continued)
September 30, 2015 (unaudited)

Templeton Emerging Markets Balanced Fund

Class A:	
Net assets, at value	$23,976,486
Shares outstanding	3,076,395
Net asset value per share[a]	$7.79
Maximum offering price per share (net asset value per share ÷ 94.25%)	$8.27
Class C:	
Net assets, at value	$ 3,490,851
Shares outstanding	451,232
Net asset value and maximum offering price per share[a]	$7.74
Class R:	
Net assets, at value	$ 41,248
Shares outstanding	5,298
Net asset value and maximum offering price per share	$7.79
Advisor Class:	
Net assets, at value	$ 6,206,940
Shares outstanding	795,080
Net asset value and maximum offering price per share	$7.81

[a]Redemption price is equal to net asset value less contingent deferred sales charges, if applicable.

Statement of Operations
for the six months ended September 30, 2015 (unaudited)

Templeton Emerging Markets Balanced Fund

Investment income:	
Dividends (net of foreign taxes of $48,636)	$ 469,283
Interest (net of foreign taxes of $2,486)	467,654
Inflation principal adjustments	49,545
Total investment income	986,482
Expenses:	
Management fees (Note 3a)	228,593
Distribution fees: (Note 3c)	
Class A	40,351
Class C	19,715
Class R	125
Transfer agent fees: (Note 3e)	
Class A	33,902
Class C	4,724
Class R	60
Advisor Class	8,991
Custodian fees (Note 4)	11,150
Reports to shareholders	13,728
Registration and filing fees	28,640
Professional fees	31,467
Other	9,130
Total expenses	430,576
Expenses waived/paid by affiliates (Note 3f and 3g)	(125,976)
Net expenses	304,600
Net investment income	681,882
Realized and unrealized gains (losses):	
Net realized gain (loss) from:	
Investments (net of foreign taxes of $13,013)	(3,272,397)
Foreign currency transactions	(184,870)
Swap contracts	(24,364)
Net realized gain (loss)	(3,481,631)
Net change in unrealized appreciation (depreciation) on:	
Investments	(3,743,755)
Translation of other assets and liabilities denominated in foreign currencies	(229,159)
Swap contracts	(18,320)
Change in deferred taxes on unrealized appreciation	8,471
Net change in unrealized appreciation (depreciation)	(3,982,763)
Net realized and unrealized gain (loss)	(7,464,394)
Net increase (decrease) in net assets resulting from operations	$(6,782,512)

Statements of Changes in Net Assets

Templeton Emerging Markets Balanced Fund

	Six Months Ended September 30, 2015 (unaudited)	Year Ended March 31, 2015
Increase (decrease) in net assets:		
Operations:		
Net investment income	$ 681,882	$ 1,347,291
Net realized gain (loss)	(3,481,631)	(835,378)
Net change in unrealized appreciation (depreciation)	(3,982,763)	(2,290,171)
Net increase (decrease) in net assets resulting from operations	(6,782,512)	(1,778,258)
Distributions to shareholders from:		
Net investment income:		
Class A	(82,276)	(1,231,002)
Class C	—	(137,716)
Class R	(87)	(2,053)
Advisor Class	(33,165)	(322,259)
Total distributions to shareholders	(115,528)	(1,693,030)
Capital share transactions: (Note 2)		
Class A	(1,265,381)	2,719,973
Class C	103,567	170,090
Class R	(2,280)	3,321
Advisor Class	(572,539)	(256,598)
Total capital share transactions	(1,736,633)	2,636,786
Net increase (decrease) in net assets	(8,634,673)	(834,502)
Net assets:		
Beginning of period	42,350,198	43,184,700
End of period	$33,715,525	$42,350,198
Undistributed net investment income (distributions in excess of net investment income) included in net assets:		
End of period	$ 313,050	$ (253,304)

Notes to Financial Statements (unaudited)

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 (1940 Act) as an open-end management investment company, consisting of five separate funds and applies the specialized accounting and reporting guidance in U.S. Generally Accepted Accounting Principles (U.S. GAAP). 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 as of 4 p.m. Eastern time each day the New York Stock Exchange (NYSE) is open for trading. Under compliance policies and procedures approved by the Trust's Board of Trustees (the Board), the Fund's administrator has responsibility for oversight of valuation, including leading the cross-functional 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.

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 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.

Investments in open-end mutual funds are valued at the closing NAV.

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,

Templeton Emerging Markets Balanced Fund (continued)

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 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.

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 in 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.

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

Templeton Emerging Markets Balanced Fund (continued)

1. Organization and Significant Accounting Policies (continued)

c. Derivative Financial Instruments *(continued)*

losses in excess of the amounts shown in 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.

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 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 in 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. Restricted Cash

At September 30, 2015, the Fund held restricted cash in connection with investments in certain derivative securities. Restricted cash is held in a segregated account with the Fund's counterparty and is reflected in the Statement of Assets and Liabilities.

e. 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

Templeton Emerging Markets Balanced Fund (continued)

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.

f. 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 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.

g. 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 September 30, 2015, 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's statute of limitation.

h. 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 for certain dividends from foreign securities where the dividend rate is not available. In such cases, the dividend is recorded as soon as the information is received by the Fund. Distributions to shareholders are recorded on the ex-dividend date and are determined according to income tax regulations (tax basis). Distributable earnings determined on a tax basis may differ from earnings recorded in accordance with U.S. GAAP. These 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 inflation principal adjustments in the Statement of Operations.

Templeton Emerging Markets Balanced Fund (continued)

1. Organization and Significant Accounting Policies (continued)

i. Accounting Estimates

The preparation of financial statements in accordance with U.S. GAAP 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.

j. 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.

2. Shares of Beneficial Interest

At September 30, 2015, there were an unlimited number of shares authorized ($0.01 par value). Transactions in the Fund's shares were as follows:

	Six Months Ended September 30, 2015		Year Ended March 31, 2015	
	Shares	Amount	Shares	Amount
Class A Shares:				
Shares sold	393,744	$ 3,500,851	1,143,138	$ 11,610,919
Shares issued in reinvestment of distributions	8,766	74,586	117,730	1,121,630
Shares redeemed	(546,698)	(4,840,818)	(1,008,348)	(10,012,576)
Net increase (decrease)	(144,188)	$ (1,265,381)	252,520	$ 2,719,973
Class C Shares:				
Shares sold	87,206	$ 780,719	139,771	$ 1,410,008
Shares issued in reinvestment of distributions	—	—	14,353	135,315
Shares redeemed	(74,482)	(677,152)	(139,121)	(1,375,233)
Net increase (decrease)	12,724	$ 103,567	15,003	$ 170,090
Class R Shares:				
Shares sold	887	$ 7,936	2,721	$ 27,696
Shares issued in reinvestment of distributions	10	87	216	2,053
Shares redeemed	(1,189)	(10,303)	(2,599)	(26,428)
Net increase (decrease)	(292)	$ (2,280)	338	$ 3,321
Advisor Class Shares:				
Shares sold	31,447	$ 293,350	148,900	$ 1,481,515
Shares issued in reinvestment of distributions	1,195	10,285	9,621	91,800
Shares redeemed	(97,776)	(876,174)	(179,583)	(1,829,913)
Net increase (decrease)	(65,134)	$ (572,539)	(21,062)	$ (256,598)

Templeton Emerging Markets Balanced Fund (continued)

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

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

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

b. Administrative Fees

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.

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. 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%

Effective August 1, 2015, the Board has set the current rate at 0.25% per year for Class A shares until further notice and approval by the Board.

Templeton Emerging Markets Balanced Fund (continued)

3. Transactions with Affiliates (continued)

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 period:

Sales charges retained net of commissions paid to unaffiliated broker/dealers	$8,069
CDSC retained	$ 521

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 period ended September 30, 2015, the Fund paid transfer agent fees of $47,677, of which $20,994 was retained by Investor Services.

f. Investments in Institutional Fiduciary Trust Money Market Portfolio

The Fund invests in Institutional Fiduciary Trust Money Market Portfolio (Sweep Money Fund), an affiliated open-end management investment company. Management fees paid by the Fund are waived on assets invested in the Sweep Money Fund, as noted in the Statement of Operations, in an amount not to exceed the management and administrative fees paid directly or indirectly by the Sweep Money Fund. Prior to April 1, 2013, the waiver was accounted for as a reduction to management fees.

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, 2016.

h. Other Affiliated Transactions

At September 30, 2015, Advisers owned 19.11% 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 period ended September 30, 2015, there were no credits earned.

5. Income Taxes

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

Templeton Emerging Markets Balanced Fund (continued)

At March 31, 2015, the capital loss carryforwards were as follows:

Capital loss carryforwards not subject to expiration:	
Short term	$ 3,024,186
Long term	1,942,707
Total capital loss carryforwards	$ 4,966,893

At September 30, 2015, the cost of investments and net unrealized appreciation (depreciation) for income tax purposes were as follows:

Cost of investments	$38,902,896
Unrealized appreciation	$ 824,310
Unrealized depreciation	(6,542,803)
Net unrealized appreciation (depreciation)	$ (5,718,493)

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.

6. Investment Transactions

Purchases and sales of investments (excluding short term securities) for the period ended September 30, 2015, aggregated $13,899,965 and $18,037,268, respectively.

7. Credit Risk and Defaulted Securities

At September 30, 2015, the Fund had 18.85% 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 September 30, 2015, the value of this security was $6,000, representing 0.02% 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 in the accompanying Statement of Investments.

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.

Templeton Emerging Markets Balanced Fund (continued)

9. Other Derivative Information

At September 30, 2015, the Fund's investments in derivative contracts are reflected in the Statement of Assets and Liabilities as follows:

Derivative Contracts Not Accounted for as Hedging Instruments	Asset Derivatives: Statement of Assets and Liabilities Location	Asset Derivatives: Fair Value	Liability Derivatives: Statement of Assets and Liabilities Location	Liability Derivatives: Fair Value
Interest rate contracts	Variation margin	$ 1,940[a]	Variation margin	$ 24,653[a]
Foreign exchange contracts	Unrealized appreciation on OTC forward exchange contracts	213,119	Unrealized depreciation on OTC forward exchange contracts	179,330
Totals		$215,059		$203,983

[a]This amount reflects the cumulative appreciation (depreciation) of centrally cleared swaps contracts as reported in the Statement of Investments. Only the variation margin receivable/payable at period end is separately reported within the Statement of Assets and Liabilities. Prior variation margin movements were recorded to cash upon receipt or payment.

For the period ended September 30, 2015, the effect of derivative contracts in the Fund's Statement of Operations was as follows:

Derivative Contracts Not Accounted for as Hedging Instruments	Statement of Operations Locations	Net Realized Gain (Loss) for the Period	Statement of Operations Locations	Net Change in Unrealized Appreciation (Depreciation) for the Period
	Net realized gain (loss) from:		Net change in unrealized appreciation (depreciation) on:	
Interest rate contracts	Swap contracts	$ (24,364)	Swap contracts	$ (18,320)
Foreign exchange contracts	Foreign currency transactions	(130,844)[a]	Translation of other assets and liabilities denominated in foreign currencies	(252,238)[a]
Totals		$(155,208)		$(270,558)

[a]Forward exchange contracts are included in net realized gain (loss) from foreign currency transactions and net change in unrealized appreciation (depreciation) on translation of other assets and liabilities denominated in foreign currencies in the Statement of Operations.

For the period ended September 30, 2015, the average month end fair value of derivatives represented 1.53% of average month end net assets. The average month end number of open derivative contracts for the period was 93.

At September 30, 2015, the Fund's OTC derivative assets and liabilities are as follows:

	Gross and Net Amounts of Assets and Liabilities Presented in the Statement of Assets and Liabilities	
	Assets[a]	Liabilities[a]
Derivatives		
Forward exchange contracts	$213,119	$179,330

[a]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.

Templeton Emerging Markets Balanced Fund (continued)

At September 30, 2015, the Fund's OTC derivative assets which may be offset against the Fund's OTC derivative liabilities and collateral received from the counterparty, is as follows:

		Amounts Not Offset in the Statement of Assets and Liabilities			
	Gross and Net Amounts of Assets Presented in the Statement of Assets and Liabilities	Financial Instruments Available for Offset	Financial Instruments Collateral Received	Cash Collateral Received	Net Amount (Not less than zero)
Counterparty					
BZWS	$ 19,493	$ —	$ —	$ —	$ 19,493
CITI	46,451	(16,230)	—	—	30,221
DBAB	143,326	(28,072)	—	(40,000)	75,254
HSBK	—	—	—	—	—
JPHQ	3,849	(3,849)	—	—	—
MSCO	—	—	—	—	—
Total	$213,119	$(48,151)	$ —	$(40,000)	$124,968

At September 30, 2015, the Fund's OTC derivative liabilities which may be offset against the Fund's OTC derivative assets and collateral pledged to the counterparty, is as follows:

		Amounts Not Offset in the Statement of Assets and Liabilities			
	Gross and Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities	Financial Instruments Available for Offset	Financial Instruments Collateral Pledged	Cash Collateral Pledged	Net Amount (Not less than zero)
Counterparty					
BZWS	$ —	$ —	$ —	$ —	$ —
CITI	16,230	(16,230)	—	—	—
DBAB	28,072	(28,072)	—	—	—
HSBK	34,240	—	—	—	34,240
JPHQ	99,829	(3,849)	—	—	95,980
MSCO	959	—	—	—	959
Total	$179,330	$(48,151)	$ —	$ —	$131,179

See Note 1(c) regarding derivative financial instruments.

See Abbreviations on page 43.

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 $2 billion (Global Credit Facility) which matures on February 12, 2016. 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.

Templeton Emerging Markets Balanced Fund (continued)

10. Credit Facility (continued)

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 in the Statement of Operations. During the period ended September 30, 2015, 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.

A summary of inputs used as of September 30, 2015, in valuing the Fund's assets and liabilities carried at fair value, is as follows:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments in Securities				
Equity Investments[a,b]	$ 15,284,517	$ —	$ —	$ 15,284,517
Participatory Notes	—	66,649	—	66,649
Corporate Bonds and Notes[b]	—	1,131,078	—	1,131,078
Foreign Government and Agency Securities[b]	—	9,398,788	—	9,398,788
Short Term Investments	7,022,257	281,114	—	7,303,371
Total Investments in Securities	$ 22,306,774	$ 10,877,629	$ —	$ 33,184,403
Other Financial Instruments				
Forward Exchange Contracts	$ —	$ 213,119	$ —	$ 213,119
Swap Contracts	—	1,940	—	1,940
Total Other Financial Instruments	$ —	$ 215,059	$ —	$ 215,059
Liabilities:				
Other Financial Instruments				
Forward Exchange Contracts	$ —	$ 179,330	$ —	$ 179,330
Swap Contracts	—	24,653	—	24,653
Total Other Financial Instruments	$ —	$ 203,983	$ —	$ 203,983

[a]Includes common and preferred stocks as well as other equity investments.
[b]For detailed categories, see the accompanying Statement of Investments.

Templeton Emerging Markets Balanced Fund (continued)

12. 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.

Abbreviations

Counterparty/Exchange		Currency		Selected Portfolio	
BZWS	Barclays Bank PLC	**BRL**	Brazilian Real	**ADR**	American Depositary Receipt
CITI	Citigroup, N.A.	**EUR**	Euro	**FRN**	Floating Rate Note
CME	Chicago Mercantile Exchange	**GHS**	Ghanaian Cedi	**PIK**	Payment-In-Kind
DBAB	Deutsche Bank AG	**HUF**	Hungarian Forint		
HSBK	HSBC Bank PLC	**IDR**	Indonesian Rupiah		
JPHQ	JPMorgan Chase Bank, N.A.	**KRW**	South Korean Won		
LCH	London Clearing House	**LKR**	Sri Lankan Rupee		
MSCO	Morgan Stanley and Co. Inc.	**MXN**	Mexican Peso		
		MYR	Malaysian Ringgit		
		NGN	Nigerian Naira		
		PHP	Philippine Peso		
		PLN	Polish Zloty		
		RSD	Serbian Dinar		
		UYU	Uruguayan Peso		

Shareholder Information

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. 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 and posted on the U.S. Securities and Exchange Commission's website at 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. 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.

FRANKLIN TEMPLETON INVESTMENTS

Semiannual Report and Shareholder Letter
Templeton Emerging Markets Balanced Fund

Investment Manager
Templeton Asset Management Ltd.

Subadvisor
Franklin Advisers, Inc.

Distributor
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Shareholder Services
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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.

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