FRANKLIN TEMPLETON INVESTMENTS

Templeton World Fund—Class A

Product Profile Second Quarter 2016

FUND CHARACTERISTICS (AS OF 6/30/16)

NASDAQ Symbol	TEMWX
Fund Inception Date	1/17/78
Dividends	Annually in December
Investment Style	Global
Benchmarks	MSCI AC World (USD Hedged) Index
	Linked MSCI ACWI Hedged/World
	Linked MSCI ACWI Hedged/ACWI
Lipper Classification	Global Large-Cap Value
Morningstar Category™	World Stock
Total Net Assets—All Share Classes	4,375 million
Number of Issuers	97
Maximum Initial Sales Charge	5.75%

FUND DESCRIPTION

The fund seeks long-term capital growth by investing primarily in the equity securities of companies located anywhere in the world, including emerging markets. The fund intends to use currency instruments to seek to hedge substantially all of the non-U.S. dollar exposure.

PERFORMANCE DATA

Average Annual Total Returns for Periods Ended June 30, 2016 (%)

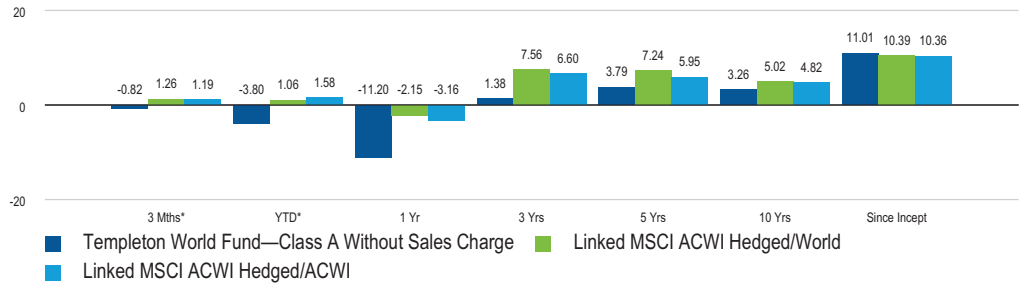
	3 Mths*	YTD*	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Incept (1/17/78)
With Sales Charge	-6.54	-9.35	-16.32	-0.61	2.58	2.65	10.84
Without Sales Charge	-0.82	-3.80	-11.20	1.38	3.79	3.26	11.01
Linked MSCI ACWI Hedged/World	1.26	1.06	-2.15	7.56	7.24	5.02	10.39
Linked MSCI ACWI Hedged/ACWI	1.19	1.58	-3.16	6.60	5.95	4.82	10.36

Total Annual Operating Expenses—*With Waiver:* *1.06%* ***Without Waiver:*** *1.06%*

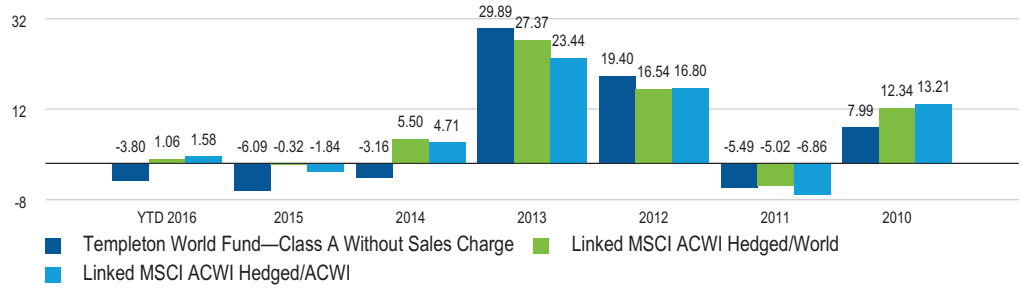
Performance data represents past performance, which does not guarantee future results. Current performance may differ from figures shown. The fund's investment return and principal value will change with market conditions, and you may have a gain or a loss when you sell your shares. Please call Franklin Templeton Investments at (800) DIAL BEN/(800) 342-5236 or visit franklintempleton.com for the most recent month-end performance.

The fund has a fee waiver associated with its investments in a Franklin Templeton money fund, contractually guaranteed through at least its current fiscal year-end. Fund investment results reflect the fee waiver; without this reduction, the results would have been lower.

Average Annual Total Returns for Periods Ended June 30, 2016 (%)



Calendar Year Returns As of June 30, 2016 (%)



If the Fund's sales charge had been included, the returns would have been lower.

Effective 6/30/2016, the fund's benchmark changed to MSCI AC World (USD Hedged) Index from MSCI World Index due to a strategy change whereby the fund will seek to hedge substantially all of the non-U.S. dollar exposure.
Linked MSCI ACWI Hedged/World reflects performance of the MSCI World Index through 6/29/2016 and performance of the MSCI AC World (USD Hedged) Index thereafter.
Linked MSCI ACWI Hedged/ACWI reflects performance of the MSCI World Index from fund inception through 12/31/1987, MSCI All Country World Index through 6/29/2016 (provided for comparative purposes only, not fund's benchmark during this time) and the MSCI AC World (USD Hedged) Index thereafter.
*Cumulative Total Returns.
For information related to the "Fund Characteristics" and "Performance Data" sections, please see Explanatory Notes.

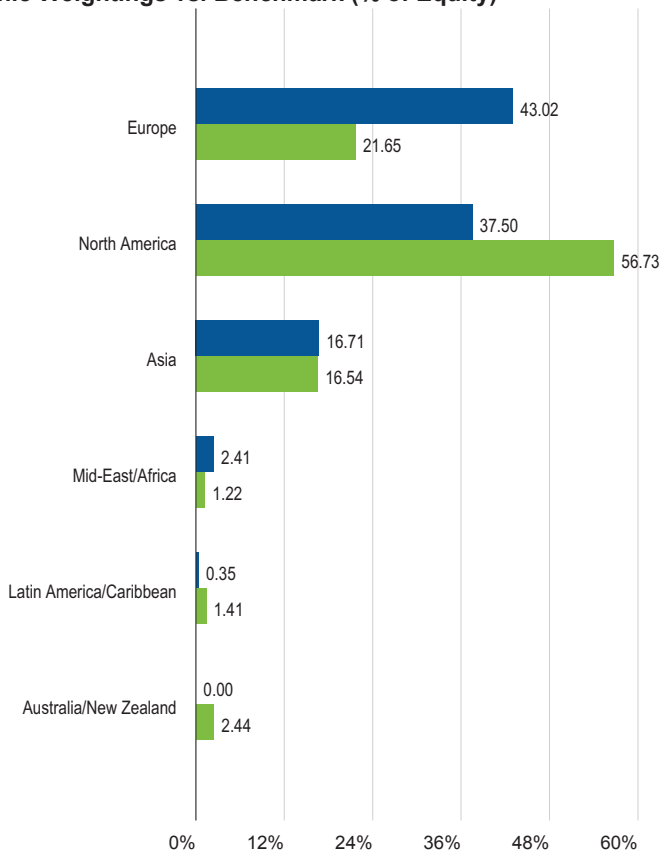
Not FDIC Insured | May Lose Value | No Bank Guarantee

PORTFOLIO DIVERSIFICATION (AS OF 6/30/16)

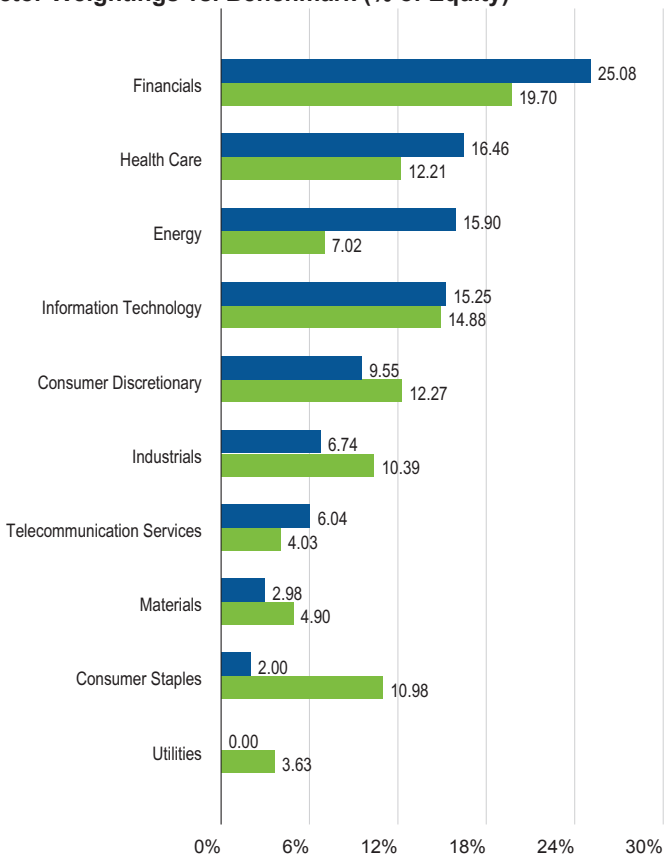
Top Ten Holdings

Issuer Name	Country	Industry	% of Total
1. SAMSUNG ELECTRONICS CO LTD	South Korea	Technology Hardware & Equipment	4.45
2. ROYAL DUTCH SHELL	United Kingdom	Energy	2.79
3. AMGEN INC	United States	Pharmaceuticals, Biotechnology & Life Sciences	2.75
4. MICROSOFT CORP	United States	Software & Services	2.43
5. TEVA PHARMACEUTICAL INDUSTRIES LTD	Israel	Pharmaceuticals, Biotechnology & Life Sciences	2.36
6. CITIGROUP INC	United States	Banks	2.33
7. COMCAST CORP	United States	Media	2.03
8. BNP PARIBAS SA	France	Banks	1.99
9. ROCHE HOLDING AG	Switzerland	Pharmaceuticals, Biotechnology & Life Sciences	1.95
10. SANOFI	France	Pharmaceuticals, Biotechnology & Life Sciences	1.91
Total			**25.00**

Geographic Weightings vs. Benchmark (% of Equity)



Sector Weightings vs. Benchmark (% of Equity)



Templeton World Fund
Linked MSCI ACWI Hedged/ACWI

Portfolio Allocation

	%
Equity	98.09
Cash & Cash Equivalents	1.88

Largest Sector Contributors vs. Linked MSCI ACWI Hedged/ACWI

Sector	Total Effect (%)
Energy	0.95
Information Technology	0.24
Telecommunication Services	0.04
Cash & Other Net Assets	0.00
Health Care	-0.02

Smallest Sector Contributors vs. Linked MSCI ACWI Hedged/ACWI

Sector	Total Effect (%)
Financials	-1.30
Industrials	-0.55
Consumer Staples	-0.52
Consumer Discretionary	-0.15
Materials	-0.15

Contributor data shown is for the period 4/1/16 to 6/30/16.

PORTFOLIO CHARACTERISTICS (AS OF 6/30/16)—Fund vs. Linked MSCI ACWI Hedged/ACWI

Price to Earnings	Fund	Benchmark
Weighted Average	13.68x	19.21x
Median	16.08x	17.25x

Price to Book Value	Fund	Benchmark
Weighted Average	1.16x	1.99x
Median	1.26x	1.92x

Price to Cash Flow	Fund	Benchmark
Weighted Average	5.95x	10.86x
Median	8.06x	11.48x

Market Capitalization (Millions USD)	Fund	Benchmark
Weighted Average	85,870	81,151
Median	31,497	8,070

PERFORMANCE RISK STATISTICS - Class A

Modern Portfolio Theory (MPT) Statistics (As of 6/30/16)

Performance Risk Statistics	3 Years	5 Years	10 Years
Standard Deviation	13.57	15.32	17.38
Alpha	-5.56	-2.49	-1.46
Beta	1.13	1.11	1.01
Sharpe Ratio	0.10	0.24	0.13
Information Ratio	-1.43	-0.56	-0.44
Tracking Error	3.65	3.89	3.56
R-Squared	93.98	94.47	95.81

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GLOSSARY

Alpha: Alpha measures the difference between a fund's actual returns and its expected returns given its risk level as measured by its beta. A positive alpha figure indicates the fund has performed better than its beta would predict. In contrast, a negative alpha indicates a fund has underperformed, given the expectations established by the fund's beta. Some investors see alpha as a measurement of the value added or subtracted by a fund's manager.
Beta: A measure of the magnitude of a portfolio's past share-price fluctuations in relation to the ups and downs of the overall market (or appropriate market index). The market (or index) is assigned a beta of 1.00, so a portfolio with a beta of 1.20 would have seen its share price rise or fall by 12% when the overall market rose or fell by 10%.
Information Ratio: In investing terminology, the ratio of expected return to risk. Usually, this statistical technique is used to measure a manager's performance against a benchmark. This measure explicitly relates the degree by which an investment has beaten the benchmark to the consistency by which the investment has beaten the benchmark.
Market Capitalization: A determination of a company's value, calculated by multiplying the total number of company stock shares outstanding by the price per share.
Price to Book Value (P/BV): The price per share of a stock divided by its book value (i.e., net worth) per share. For a portfolio, the ratio is the weighted average price/book ratio of the stocks it holds.
Price to Cash Flow (P/CF): Supplements price/earnings ratio as a measure of relative value; represents a weighted average of the price/cash flow ratios for the underlying fund holdings.
Price to Earnings (P/E): The share price of a stock, divided by its per-share earnings over the past year. P/E is a good indicator of market expectations about a company's prospects; the higher the P/E, the greater the expectations for a company's future growth in earnings.
R-Squared: A measure of how much of a portfolio's performance can be explained by the returns from the overall market (or a benchmark index). If a portfolio's total return precisely matched that of the overall market or benchmark, its R-squared would be 100. If a portfolio's return bore no relationship to the market's returns, its R-squared would be 0.
Sharpe Ratio: To calculate a Sharpe ratio, an asset's excess returns (its return in excess of the return generated by risk-free assets such as Treasury bills) are divided by the asset's standard deviation.
Standard Deviation: A measure of the degree to which a fund's return varies from its previous returns or from the average of all similar funds. The larger the standard deviation, the greater the likelihood (and risk) that a security's performance will fluctuate from the average return.
Tracking Error: Measure of the deviation of the return of a fund compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment fund is managed, the smaller the tracking error.

Alpha, Beta, Information Ratio, R-Squared, and Tracking Error are measured against the Linked MSCI ACWI Hedged/ACWI.
For information related to the “Portfolio Characteristics” section, please see Explanatory Notes.

MARKET REVIEW

Global equities rose for most of the second quarter of 2016 amid a rally in crude oil prices and easing concerns about China's economy. However, a UK referendum vote near quarter-end to leave the European Union (EU)--Brexit--rattled global financial markets. In broad terms, developed-market equities advanced and outperformed their emerging-market peers. US economic data released during the second quarter were generally solid. First-quarter economic growth estimates were revised higher, and surveys of the manufacturing and services sectors remained in expansionary territory during the April-June span. However, unexpectedly weak May data for job gains helped persuade the US Federal Reserve to keep rates unchanged at its June meeting. In Europe, the immediate effects of the Brexit vote included a sharp drop in the UK stock market and the British pound hitting a three-decade low versus the US dollar. At period-end, much was still unclear surrounding the country's future leadership and the process for leaving the EU. Elsewhere in Europe, the eurozone's first-quarter economic growth rose, its unemployment rate held steady in May and its annual inflation rate rose above the zero level in June after two consecutive declines. Japan's gross domestic product (GDP) grew more than expected in the first quarter. Its annual inflation rate dropped in April and May. The Bank of Japan decided against further quantitative easing measures during the second quarter.

In emerging markets, China's GDP growth slowed marginally in the first quarter of 2016 compared to the previous quarter, but it remained within policymakers' target range. China's manufacturing sector witnessed a lower growth rate, while the country's purchasing managers' index remained in expansionary territory. Brazil's recession became the longest since the 1930s amid political and economic turmoil, as the country's economy continued to contract in the first quarter. However, Brazil posted a current account surplus in April, its first in seven years.

PERFORMANCE REVIEW AND CONTRIBUTORS TO PERFORMANCE

The fund underperformed relative to the benchmark for the quarter. The volatile environment created headwinds for the fund as rising risk aversion curtailed a rotation into value stocks that had briefly occurred at the beginning of the year.

Sector Analysis

A change in the facts necessitates a reassessment of the new reality. While huge uncertainty persists, our new “base case” following the Brexit referendum assumes that the United Kingdom will eventually leave the EU, though the EU will likely hang together as a single market, as will the eurozone as a currency union. We assume the domestic UK economy will suffer from Brexit, possibly slipping into recession, though the direct economic impact elsewhere will likely be contained. Of greater concern are the potential second-order effects in global financial markets as currencies adjust and financial assets struggle to re-price risk. We are currently reviewing our positioning on a stock-by-stock basis to account for the new base case, while also considering other potential short- and long-term outcomes.

While we believe Brexit will generate long-term opportunities for disciplined investors, the fund was not ideally positioned for the outcome given our assessment of the odds prior to the event. In the months leading up to the referendum, we considered the potential financial, economic and geopolitical impacts of a Brexit. We concluded that the tangible costs associated with Brexit--restricted trade, economic torpor, diminished global influence and possible contagion--would overshadow any benefits likely to accrue for UK citizens in the event of a Brexit. While our analysis acknowledged the risks of an adverse outcome, we ultimately believed that economic pragmatism would prevail. Having handicapped the situation accordingly--and considering the costs associated with massive portfolio re-positioning to prepare for what we considered the less likely outcome--we decided to largely maintain our exposures in advance of the referendum. Despite our calculated expectations, economic pragmatism was not the driving force of the electorate, but rather fear, anger and dissatisfaction with the status quo. Consequently, our overweight allocation to Europe, and more specifically our overweight exposure to UK and European banks, significantly detracted, generating relative underperformance during the second quarter. Stock selection in the region further proved adverse to relative results. Stock selection and low exposure to the defensive consumer staples sector, as well as an underweighting in the resilient US market, also detracted during the period as we maintained our long-running underweight to these market segments, which we viewed as crowded and expensive.

Many of the period's largest detractors hailed from the European financials sector. We have maintained exposure to select European banks in recent quarters based on their historically cheap valuations, as well as solid restructuring and recapitalization progress in a stabilizing regulatory environment. We have also been encouraged by European banks' ability to adjust business models to increase fee-based income and manage the margin challenges associated with a low-to-negative interest-rate environment. In broad terms, a potential slowdown in regional economic growth and downturn in business confidence stemming from Brexit could impact banks by increasing loan losses, curtailing loan growth, decreasing market revenues and leading to lower for longer interest rates that crimp net interest margins. Large investment banks may have to adapt over time as many use London as a significant center for their investment banking operations. Yet, European banks today are far better capitalized and back-stopped by policymakers than they were in the crises of 2008 and 2011, and they have passed stress tests that subject their balance sheets to significantly tougher conditions than those implied by our new base case scenario. The extremely depressed valuations of European banks as of quarter-end may also help limit further downside in stock prices and create a foundation for recovery. Nevertheless, an EU breakup remains the major tail risk event that would likely preclude a banking sector recovery and put European bank equity at risk of permanent impairment. While it remains a low probability event, we will continue to monitor and assess the situation as an EU breakup would likely require a broad fund repositioning before the risk is fully priced.

We have limited exposure to domestically oriented UK banks, though our holdings therein will likely undergo some structural changes resulting in additional costs and capital requirements once the lengthy negotiations surrounding the United Kingdom's exit are completed. UK banks currently operate freely in the EU without needing to gain regulatory approval or a banking license, and this loss of “passporting” privilege would represent a material burden for the banking sector in general. Importantly for UK banks, however, a Brexit (unlike a Grexit) does not involve any change to the currency. All loans and deposits in the United Kingdom will still be denominated in British pounds, which could help limit deposit flight. Outside of Europe and the United Kingdom, we expect the impact of Brexit on our Asian and US bank holdings to be limited to negligible.

Stock-specific weakness in the industrials sector also detracted from relative results. Within the sector, German airline Deutsche Lufthansa declined in value and weighed on relative performance. Elsewhere, stock selection and an unfavorable underweight position in consumer staples holdings detracted from performance in this defensive sector. Shares of UK grocer Tesco declined after the firm's chief executive officer (CEO) warned that restructuring efforts and cost competition will likely pressure profit growth this year. In his second year on the job, new CEO Dave Lewis is working to turn around the United Kingdom's biggest retailer following an accounting scandal and market share losses. While Tesco's management has had some success with their restructuring efforts, the headwinds impacting the business appear to be structural, and the company seems to be running hard just to stand still. It is becoming increasingly difficult to see how the firm will grow volumes and command a higher valuation multiple over our investment horizon. Despite the poor performance during the review period, Tesco may benefit in the near term from any improvement in the currently depressed investor sentiment. We believe the consumer staples sector

The above commentary does not provide a complete analysis of every material fact regarding any market, region, industry, security, portfolio or pooled investment vehicle. Portfolio holdings information, opinions and other market or economic information and data provided are as of the date of the commentary, unless another date is expressly indicated, and may change without notice. Statements of fact cited by the manager have been obtained from sources considered reliable but no representation is made as to their completeness or accuracy. The manager’s assessment of a particular industry, region, security, sector or investment is intended solely to provide insight into the manager’s investment process and is not a recommendation to buy or sell any security, nor investment advice. References to particular securities or sectors are only for the limited purpose of illustrating general market or economic conditions and are not recommendations to buy or sell a security. Although historical data is no guarantee of future results, these insights may help you understand our investment management philosophy.

PERFORMANCE REVIEW AND CONTRIBUTORS TO PERFORMANCE (*CONTINUED)*

more generally remains historically expensive and bargains therein are scarce.

Turning to contributors, a contrarian overweight and strong stock selection in the energy sector generated solid absolute gains that outperformed the benchmark. US oilfield services firm Halliburton, independent oil and gas producer Devon Energy, and UK oil majors Royal Dutch Shell and BP finished among the fund's top-performing holdings in the second quarter. In light of the portfolio reassessment underway in financials and elsewhere, energy offers a good example of how we have been able to successfully adapt to changing circumstances to position the fund for long-term performance potential. Templeton portfolios were slightly overweight energy in the fall of 2014 when Saudi Arabia declined to cut output in a bid to protect market share, eventually sending oil prices to the mid-US$30s per barrel after four years of trading in the US$80-US$100 per barrel range. While our long-term oil price assumptions were already below the prevailing spot price at the time, we used Saudi Arabia's market share gambit to reassess our forecasts, and reduced our price deck even further. We stressed the balance sheets to make sure that the companies in our portfolios had the financial capacity to sustain a period of lower for longer energy prices, and then ultimately re-allocated portfolios according to this revised assessment of longer-term value.

Over the past year we have continued to see value in select energy stocks; in fact, we added to our exposures throughout the first quarter. This is a sector that we believe should be relatively insulated in terms of a Brexit. A modest downturn in global GDP and somewhat softer demand from the United Kingdom or the eurozone are unlikely to materially impact oil prices. To the contrary, the key fundamental drivers for oil prices remain intact: We expect the market to come into balance over the next year as low investment hampers supply and low oil prices buoy demand. Marginal supply continues to leave the market, with US shale production on track to fall meaningfully below last year's levels. Adding production disruptions in Venezuela, where the oil sector cannot pay its debts, and Nigeria, where rebel attacks on the Niger Delta have cut output in half, and the result is six consecutive quarters of supply contraction and a clearly tightening market. At the stock level, we are seeing earnings recover from trough levels as companies slash capital expenditures and focus on harvesting growth from the previous investment cycle. The result is improving returns and cash flows that are more likely to be used to reward shareholders than chase economically dubious volume growth.

Strong stock selection also supported the fund's information technology holdings. South Korean consumer electronics company Samsung Electronics performed well and lifted relative performance. According to our analysis, every major tier in the tech “stack”--computers, storage, networking, databases and apps--is being disrupted by a new set of technologies. Our approach is to identify both mature tech companies that offer value in their ability to adapt to change as well as new tech entrants likely to emerge as winners.

Country Analysis

From a regional standpoint, an overweight allocation and stock-specific weakness in Europe detracted from relative results. Investments in Asia were neutral overall as the negative effects from positioning in China were offset by the positive impact from Japan and Singapore. We continue to find compelling opportunities in Europe, where the stock prices of many high-quality multinationals with solid fundamentals have been excessively discounted by broad-based macro fears, in our view. We will continue to monitor the risk of EU disintegration closely, though as mentioned, we believe it is a low probability event. To withdraw from the union, a country would need both cultural “Euroskepticism” and economic ambiguity about the cost-benefit of EU membership to enter the mainstream political mindset; as a practical matter, a route to a decision point via referendum or parliamentary election must also be apparent. We do not see these conditions being met in any other major countries, though this is a fluid situation and one that we will continue to monitor closely.

The above commentary does not provide a complete analysis of every material fact regarding any market, region, industry, security, portfolio or pooled investment vehicle. Portfolio holdings information, opinions and other market or economic information and data provided are as of the date of the commentary, unless another date is expressly indicated, and may change without notice. Statements of fact cited by the manager have been obtained from sources considered reliable but no representation is made as to their completeness or accuracy. The manager’s assessment of a particular industry, region, security, sector or investment is intended solely to provide insight into the manager’s investment process and is not a recommendation to buy or sell any security, nor investment advice. References to particular securities or sectors are only for the limited purpose of illustrating general market or economic conditions and are not recommendations to buy or sell a security. Although historical data is no guarantee of future results, these insights may help you understand our investment management philosophy.

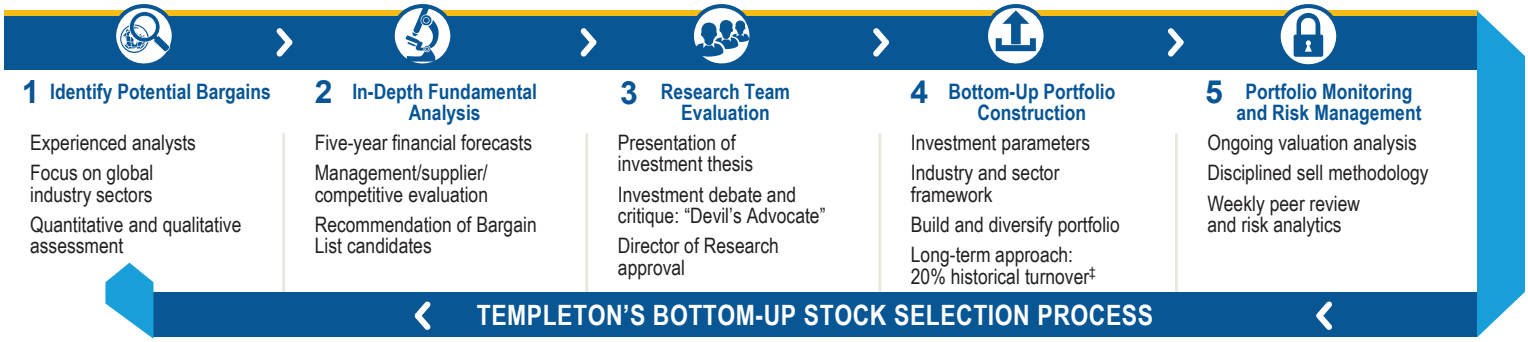
INVESTMENT PHILOSOPHY AND PROCESS

Templeton utilizes a disciplined, consistent approach based on three timeless principles of investing:

Value
Our flexible approach is applied within a disciplined framework and seeks to identify companies trading at large discounts to their business value.

Patience
Our long-term focus gives us a framework to take advantage of price volatility to reveal potential long-term investment opportunities. Patience allows for potential long-term value recognition.

Bottom-up stock picking
Our portfolio management process seeks to buy pessimism and sell optimism. We build portfolios spanning regions and sectors made up of securities identified through this process.



‡ Historical turnover is based on Templeton's experience as a Firm, over a five-year period as of most recent quarter end. The turnover is a byproduct of Templeton's long-term approach to managing portfolios, but various factors, such as a portfolio's specific investment guidelines and market or economic conditions may cause actual portfolio turnover to vary.

Global Research Library	Performance Analysis and Investment Risk Group	Global Portfolio Compliance Group
Templeton World Fund Management Team	**Years with Firm**	**Years Experience**
Norman Boersma, CFA	24	30
Tucker Scott, CFA	19	24
James Harper, CFA	8	23
Heather Arnold, CFA	11	32
Christopher Peel, CFA	8	8
Herbert Arnett Jr.	20	22
Templeton Global Equity Management Team	**Years with Firm**	**Years Experience**
Norman Boersma, CFA - Chief Investment Officer	24	30
Heather Arnold, CFA - Director of Research	11	32
Cindy L. Sweeting, CFA - Director of Portfolio Management	19	32
Templeton Global Equity Group	**Number of Members**	**Average Years Experience**
Portfolio Managers/Analysts	26	23
Research Analysts	10	10
Additional Resources		
Research Technology Group	Junior Research Analysts	Global Trading Platform

WHAT ARE THE RISKS

All investments involve risks, including possible loss of principal. 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, smaller-company stocks have historically experienced more price volatility than larger-company stocks, especially over the short term. 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. Derivatives, including currency management strategies, involve costs and can create economic leverage in the portfolio which may result in significant volatility and cause the fund to participate in losses (as well as enable gains) on an amount that exceeds the fund's initial investment. The fund may not achieve the anticipated benefits, and may realize losses when a counterparty fails to perform as promised. The fund's risk considerations are discussed in the prospectus.

EXPLANATORY NOTES

FUND CHARACTERISTICS

Number of Issuers: All portfolio holdings are subject to change. Holdings of the same issuer have been combined.

PERFORMANCE DATA

The fund offers other share classes subject to different fees and expenses, which will affect their performance.
Source for Index: FactSet. Indexes are unmanaged, and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges.
All MSCI data is provided "as is." The Fund described herein is not sponsored or endorsed by MSCI. In no event shall MSCI, its affiliates or any MSCI data provider have any liability of any kind in connection with the MSCI data or the Fund described herein. Copying or redistributing the MSCI data is strictly prohibited.
On January 1, 1993, the fund implemented a Rule 12b-1 plan, which affects subsequent performance.

PORTFOLIO DIVERSIFICATION

Top Ten Holdings: Holdings of the same issuer have been combined. Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change. The portfolio manager for the fund reserves the right to withhold release of information with respect to holdings that would otherwise be included. For updated information, call Franklin Templeton Investments at (800) DIAL BEN/(800) 342-5236 or visit franklintempleton.com.
Geographic/Sector Weightings: Weightings as percent of equity (unless otherwise noted). Percentage may not equal 100% due to rounding. Information is historical and may not reflect current or future portfolio characteristics.
Sector Weightings: Weightings as percent of equity (unless otherwise noted). Percentage may not equal 100% due to rounding. Information is historical and may not reflect current or future portfolio characteristics.
Largest/Smallest Sector Contributors: Total effect represents the opportunity cost of investment decisions in a group relative to overall benchmark.
Source for Index: FactSet. Indexes are unmanaged, and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges.

PORTFOLIO CHARACTERISTICS

The portfolio characteristics listed are based on the fund's underlying holdings, and do not necessarily reflect the fund's characteristics. Due to data limitations all equity holdings are assumed to be the primary equity issue (usually the ordinary or common shares) of each security's issuing company. This methodology may cause small differences between the portfolio's reported characteristics and the portfolio's actual characteristics. In practice, Franklin Templeton's portfolio managers invest in the class or type of security which they believe is most appropriate at the time of purchase. The market capitalization figures for both the portfolio and the benchmark are at the security level, not aggregated up to the main issuer. All portfolio holdings are subject to change.
Source: FactSet. For the portfolio, the Price to Earnings, Price to Cash Flow, and Price to Book Value calculations for the weighted average use harmonic means. Values less than 0.01 (i.e., negative values) are excluded and values in excess of 200x are capped at 200x. For the benchmark, no limits are applied to these ratios in keeping with the benchmark's calculation methodology. Market capitalization statistics are indicated in the base currency for the portfolio presented.

Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing. To obtain a summary prospectus and/or prospectus, which contains this and other information, talk to your financial advisor, call us at (800) DIAL BEN/(800) 342-5236 or visit franklintempleton.com. Please carefully read a prospectus before you invest or send money.

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