



**Fund Fact Sheet | Share Class: Advisor**

**Fund Description**

The fund seeks to provide a high level of current income consistent with prudent investing, while seeking preservation of capital. The fund invests primarily in investment grade debt securities, which may be represented by derivatives that provide exposure to debt securities. The fund targets an estimated average portfolio duration of three years or less.

**Fund Overview**

**Total Net Assets [All Share Classes]** \$3,065 million  
**Fund Inception Date** 11/17/2004  
**Dividend Frequency** Accrued daily and paid monthly on the last business day  
**Number of Holdings** 875

**Share Class Information**

Share Class	CUSIP	NASDAQ Symbol
Advisor	353 612 617	FLDZX
A	353 612 690	FLDAX
C	353 612 583	FLDCX
R6	353 612 534	FLRRX

**Fund Management**

	Years with Firm	Years of Experience
Sonal Desai, PhD	9	25
Roger Bayston, CFA	27	33
Kent Burns, CFA	25	26
David Yuen, CFA	23	31

**Maximum Sales Charge**

**Advisor Class:** None

**Total Annual Operating Expenses**

Share Class	With Waiver	Without Waiver
Advisor	0.47%	0.72%

**30-Day Standardized Yield**

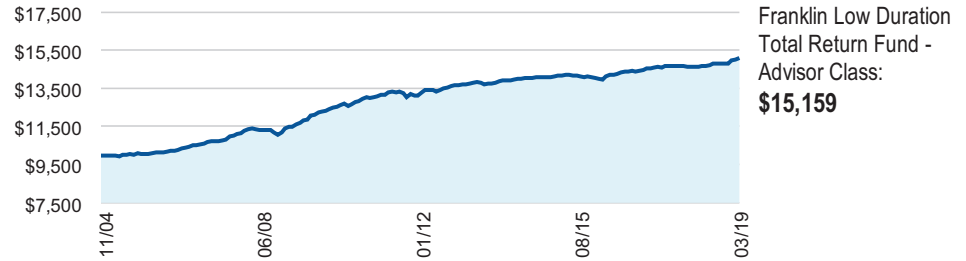
Share Class	With Waiver	Without Waiver
Advisor	3.44%	3.21%

**Asset Allocation (Market Value %)**

Fixed Income	96.55
Cash & Cash Equivalents	3.42
Equity	0.03

**Performance**

**Growth of a \$10,000 Investment (from 11/17/2004-03/31/2019)**



**Total Returns % (as of 3/31/2019)**

Share Class	CUMULATIVE YTD	AVERAGE ANNUAL					Since Inception	Inception Date
		1 Yr	3 Yrs	5 Yrs	10 Yrs			
Advisor	2.18	3.15	2.30	1.56	2.68	2.94	11/17/2004	

**Calendar Year Total Returns %**

Share Class	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Advisor	0.85	1.52	2.83	-0.29	1.24	1.44	4.39	0.82	5.15	8.59
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
	2.45	5.86	4.26	1.26	N/A	N/A	N/A	N/A	N/A	N/A

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

Advisor Class shares do not have sales charges or 12b-1 fees and are offered only to certain eligible investors as stated in the prospectus.

The fund has an expense reduction and a fee waiver associated with any investments it makes in a Franklin Templeton money fund and/or other Franklin Templeton fund, contractually guaranteed through February 29, 2020. Fund investment results reflect the expense reduction and fee waiver; without these reductions, the results would have been lower.

**Fund Measures**

Average Duration	1.60 Years
Average Weighted Maturity	3.06 Years
Standard Deviation (3 Yrs) - Advisor Class	0.90%

**Composition of Fund**

■ Franklin Low Duration Total Return Fund ■ Bloomberg Barclays U.S. Government & Credit (1-3 Year) Index

Sector (Notional Exposure)	% of Total	
Investment Grade Corporates	28.10	23.32
Residential Mortgage-Backed Securities	25.41	0.00
Interest Rate Derivatives	17.41	0.00
U.S. Treasury	13.33	65.64
Collateralized Loan Obligations	11.28	0.00
Bank Loans	6.83	0.00
High Yield Corporates	4.10	0.00
Treasury Inflation-Protected Securities	4.04	0.00
International Bonds	3.78	7.46
Others	12.02	3.59

**Portfolio Data Disclosures**

Market value figures reflect the trading value of the investments. Notional exposure figures are intended to estimate the portfolio's exposure, including any hedged or increased exposure through certain derivatives held in the portfolio (or their underlying reference assets). Interest Rate Derivatives sector consists of Treasury, interest rate and other derivatives that are primarily used for duration management. Average Duration and Average Weighted Maturity reflect certain derivatives held in the portfolio (or their underlying reference assets). Portfolio breakdown percentages may not total 100% and may be negative due to rounding, use of any derivatives, unsettled trades or other factors.

**What Are the Risks?**

All investments involve risks, including possible loss of principal. Interest rate movements and mortgage prepayments will affect the fund's share price and yield. Bond prices generally move in the opposite direction of interest rates. Thus, as the prices of bonds in the fund adjust to a rise in interest rates, the fund's share price may decline. Changes in the financial strength of a bond issuer or in a bond's credit rating may affect its value. The risks associated with higher-yielding, lower-rated securities include higher risk of default and loss of principal. Investment in foreign securities also involves special risks, including currency fluctuations, and political and economic uncertainty. 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 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. These and other risk considerations are discussed in the fund's prospectus.

**Glossary**

**Average Duration:** A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. The weighted average duration of a fund reflects the effective duration of the underlying issues, based on the size of each holding.

**Average Weighted Maturity:** An estimate of the number of years to maturity, taking the possibility of early payments into account, for the underlying holdings.

**Standard Deviation:** A measure of the degree to which a fund's return varies from the average of its previous returns. The larger the standard deviation, the greater the likelihood (and risk) that a fund's performance will fluctuate from the average return.

**Important Information**

*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/342-5236 or visit franklintempleton.com. Please carefully read a prospectus before you invest or send money.*

Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change.

**Fund Description:** Although U.S. government-sponsored entities may be chartered by Acts of Congress, their securities are neither issued nor guaranteed by the U.S. government. Please see the fund's prospectus for a detailed discussion regarding various levels of credit support for government agency or instrumentality securities. The fund's yield and share price are not guaranteed and will vary with market conditions.

Indexes are unmanaged, and one cannot invest directly in an index. They do not reflect any fees, expenses or sales charges.

**Fund Management:** CFA® and Chartered Financial Analyst® are trademarks owned by CFA Institute.

**Performance:** The fund offers other share classes subject to different fees and expenses, which will affect their performance.

Advisor: Effective 5/15/08, the fund began offering Advisor Class Shares. For periods prior to the fund's Advisor Class inception date, a restated figure is used based on the fund's oldest share class, Class A performance, excluding the effect of Class A's maximum initial sales charge but reflecting the effect of the Class A Rule 12b-1 fees; and for periods after the fund's Advisor Class inception date, actual Advisor Class performance is used, reflecting all charges and fees applicable to that class.

**30-Day Standardized Yield:** The fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the fund's actual income distribution rate, which reflects the fund's past dividends paid to shareholders.