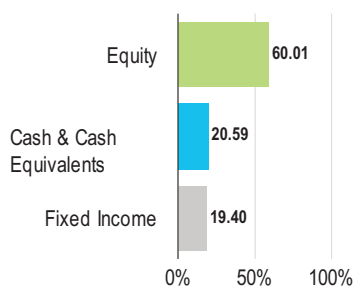


Product Profile
Product Details¹

Fund Assets	\$1,105,925,903.13
Fund Inception Date	07/01/2005
Number of Issuers	77
NASDAQ Symbol	TZINX
Maximum Sales Charge	0.00
Investment Style	Balanced / Hybrid
Benchmark	MSCI All Country World Index
	Bloomberg Barclays Multiverse Index
	Blended 50% MSCI All Country World Index + 50% Bloomberg Barclays Multiverse Index
Lipper Classification	Mixed-Asset Trgt Alloc Mod Fds
Morningstar Category™	World Allocation
Dividend Frequency	Quarterly

Asset Allocation²

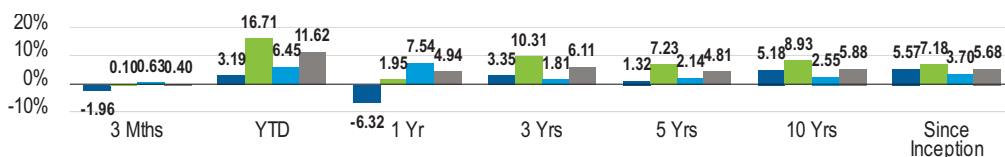
Market Value—Percent of Total


Fund Description

The fund seeks both income and capital appreciation by investing in a diversified portfolio of global bonds and equities, and offers a dynamic, bottom-up allocation process. The fund normally invests at least 25% of its assets in fixed income senior securities and at least 25% of its assets in equity securities.

Performance Data³
Average Annual Total Returns⁴ (%)

	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception (07/01/2005)
Advisor Class	-1.96	3.19	-6.32	3.35	1.32	5.18	5.57
MSCI All Country World Index	0.10	16.71	1.95	10.31	7.23	8.93	7.18
Bloomberg Barclays Multiverse Index	0.63	6.45	7.54	1.81	2.14	2.55	3.70
Blended 50% MSCI All Country World Index + 50% Bloomberg Barclays Multiverse Index	0.40	11.62	4.94	6.11	4.81	5.88	5.68



- Advisor Class
- MSCI All Country World Index
- Bloomberg Barclays Multiverse Index
- Blended 50% MSCI All Country World Index + 50% Bloomberg Barclays Multiverse Index

Total Annual Operating Expenses—With Waiver: 0.94% Without Waiver: 0.97%

30-Day Standardized Yield⁵—With Waiver: 3.26% Without Waiver: 3.21%

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 at (800) DIAL BEN/342-5236 or visit franklintempleton.com for the most recent month-end performance.

Advisor Class shares are offered only to certain eligible investors as stated in the prospectus. They are offered without sales charges or Rule 12b-1 fees. The fund offers other share classes subject to different fees and expenses, which will affect their performance. Please see the prospectus for details.

The fund has a fee waiver associated with any investment it makes in a Franklin Templeton money fund and/or other Franklin Templeton fund, contractually guaranteed through 04/30/2020. Fund investment results reflect the fee waiver; without this waiver, the results would have been lower.

1. All holdings are subject to change. Holdings of the same issuers have been combined.

3. 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.

4. Periods shorter than one year are shown as cumulative total returns.

5. 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.

Calendar Year Returns (%)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Advisor Class	-9.19	12.42	5.51	-1.97	-0.43	17.53	18.67	-5.69	12.82	27.86
MSCI All Country World Index	-8.93	24.62	8.49	-1.84	4.71	23.44	16.80	-6.86	13.21	35.41
Bloomberg Barclays Multiverse Index	-1.36	7.69	2.84	-3.29	0.47	-2.19	4.84	5.55	5.84	8.04
Blended 50% MSCI All Country World Index + 50% Bloomberg Barclays Multiverse Index	-5.06	15.89	5.80	-2.36	2.63	10.00	10.86	-0.56	9.87	21.49

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 at (800) DIAL BEN/342-5236 or visit franklintempleton.com for the most recent month-end performance.

Portfolio Manager Insight⁶

Performance Review

QUARTERLY KEY PERFORMANCE DRIVERS

	Equity	Fixed Income
HELPED	Industrials (Stock Selection)	Euro (Net-Negative Position)
	United States (Stock Selection)	Australian Dollar (Net-Negative Position)
	Luxembourg (Overweight)	—
HURT	Energy (Stock Selection, Overweight)	Duration Exposure in Argentina
	Financials (Stock Selection, Overweight)	Negative Duration Exposure to US Treasuries
	Netherlands (Stock Selection)	Argentine Peso

- The energy sector was pressured by oil price volatility during the period. Canadian exploration and production firm Husky Energy detracted given the stock's high sensitivity to oil prices. We continue to believe Husky offers compelling value, with a solid balance sheet and dividend yield, along with the capability to generate 90% of its current market capitalization in free cash flow over the next five years at oil prices of around US\$60 per barrel. We have been finding attractive opportunities more broadly in the unloved energy sector as long-term oil fundamentals have remained well supported, company valuations have been standing near multi-decade lows and free cash flow has been hitting multi-decade highs.
- United Parcel Service (UPS), the world's largest package delivery company, was our top contributor from the United States. The shares rose after the company reported record profits, ending an 11-quarter slump in operating margins. Looking ahead, UPS has been investing in new automated distribution centers that should help lower overall operating costs. Amazon (not a portfolio holding) is expected to remain a large customer due to the extensive shipping network that UPS has established across the US and globally.
- Negative duration exposure to US Treasuries detracted from the fixed income portfolio's absolute performance as the yield on the 10-year US Treasury note finished the quarter 34 basis points (bps) lower at 1.67%. We expect rising debt issuance, rising deficit spending and rising underlying inflation pressures to drive longer-term US Treasury yields higher.
- The fixed income portfolio's net-negative positions in the euro and the Australian dollar contributed to absolute results. We have maintained a net-negative position in the euro as a macro hedge against a broadly strengthening US dollar and as a directional view on the currency. We continued to hold net-negative positioning in the Australian dollar based on the Reserve Bank of Australia's continued rate accommodation, and to hedge broad-based beta risk across emerging markets.

Outlook & Strategy

- While growth stocks ultimately eked out another quarter of outperformance relative to value, we were encouraged by the dramatic investing style reversal in early September—a six sigma event—which highlighted the vulnerability of extended positioning in growth stocks and bond proxies late in the cycle. This episode suggests it doesn't take much to prompt an adjustment when crowding and valuations reach extremes, and the dominant market narrative can shift quickly when conditions become overbought.
- In this environment, we believe that a true value portfolio with a long-term horizon and prudent balance between cyclical and defensive exposures seems optimally suited to manage risks, meet challenges and capitalize on potential opportunities. For these reasons, we enter the final quarter of 2019 increasingly optimistic about the variables both within our control (enhanced stock selection and portfolio management) and outside of it (an eventual cycle inflection).
- From a global fixed income perspective, a number of factors are currently shaping financial markets, notably including geopolitical risks and trade tensions, populism and political polarization, unrestrained deficit spending in the developed world, low rates and underappreciated inflation risks, and overvaluations in many risk assets. Financial markets remain vulnerable to a number of risks associated with these factors, in our view.

- In emerging markets, we continue to see a subset of countries with domestically strong economies that have demonstrated their resiliencies to global shocks, including potential trade disruptions. We are focused on specific countries that are less externally vulnerable and more domestically driven, and that have orthodox fiscal and monetary policies. We see additional scope for strengthening valuations in specific countries.

6. The information provided is not a complete analysis of every material fact regarding any country, market, industry, security or fund. Because market and economic conditions are subject to change, comments, opinions and analyses are rendered as of the date of this material and may change without notice. A portfolio manager's assessment of a particular security, investment or strategy is not intended as individual investment advice or a recommendation or solicitation to buy, sell or hold any security or to adopt any investment strategy; it is intended only to provide insight into the fund's portfolio selection process. Holdings are subject to change.

Portfolio Characteristics^{7,8,9,10}

	Portfolio	MSCI All Country World Index
Price to Earnings (12-Month Trailing)	14.43x	17.73x
Price to Book	1.20x	2.29x
Price to Cash Flow	5.34x	11.24x
Market Capitalization (Millions in USD)	85,319	133,769

	Portfolio	Bloomberg Barclays Multiverse Index
Average Duration	-2.09 Yrs	7.02 Yrs
Average Weighted Maturity	2.00 Yrs	8.74 Yrs

Portfolio Diversification¹¹

Top Ten Holdings¹²

Equity as a Percent of Total

Top Holdings	Country	%
ROYAL DUTCH SHELL PLC	United Kingdom	2.21
ALLERGAN PLC	United States	2.20
VODAFONE GROUP PLC	United Kingdom	1.79
DEUTSCHE TELEKOM AG	Germany	1.73
VEOLIA ENVIRONNEMENT SA	France	1.73
KIRIN HOLDINGS CO LTD	Japan	1.71
BAYER AG	Germany	1.66
SES SA	Luxembourg	1.62
CK HUTCHISON HOLDINGS LTD	Hong Kong	1.57
BNP PARIBAS SA	France	1.53

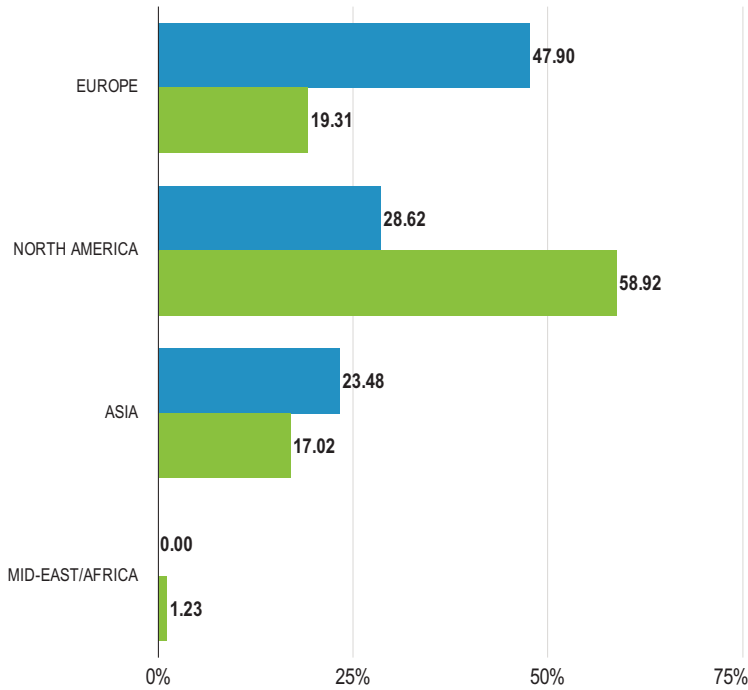
7. The portfolio characteristics listed are based on the fund's underlying holdings, and do not necessarily reflect the fund's characteristics. Due to data limitations all equity holdings are assumed to be the primary equity issue (usually the ordinary or common shares) of each security's issuing company. 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. Source: Factset. Price ratio calculations for weighted average use harmonic means. Any exceptions to this are noted. Average Weighted Maturity and Average Duration data points pertain to the fixed income component of the fund. Information is historical and may not reflect current or future portfolio characteristics. All holdings are subject to change.

8. Source: FactSet. Price ratio calculations for weighted average use harmonic means. Any exceptions to this are noted.

12. Holdings of the same issuers have been combined. Top ten holdings information is historical and may not reflect current or future portfolio characteristics. All holdings are subject to change. The information provided is not a recommendation to purchase, sell, or hold any particular security. The portfolio manager for the fund reserves the right to withhold release of information with respect to holdings that would otherwise be included.

Geographic Allocation vs. MSCI All Country World Index¹³

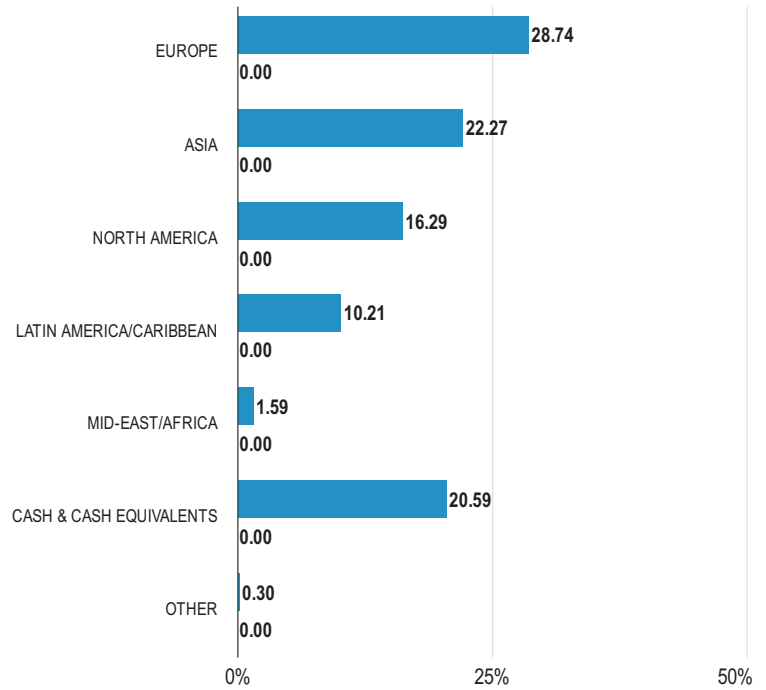
Market Value—Percent of Equity



● Templeton Global Balanced Fund
● MSCI All Country World Index

Geographic Allocation vs. Bloomberg Barclays Multiverse Index²

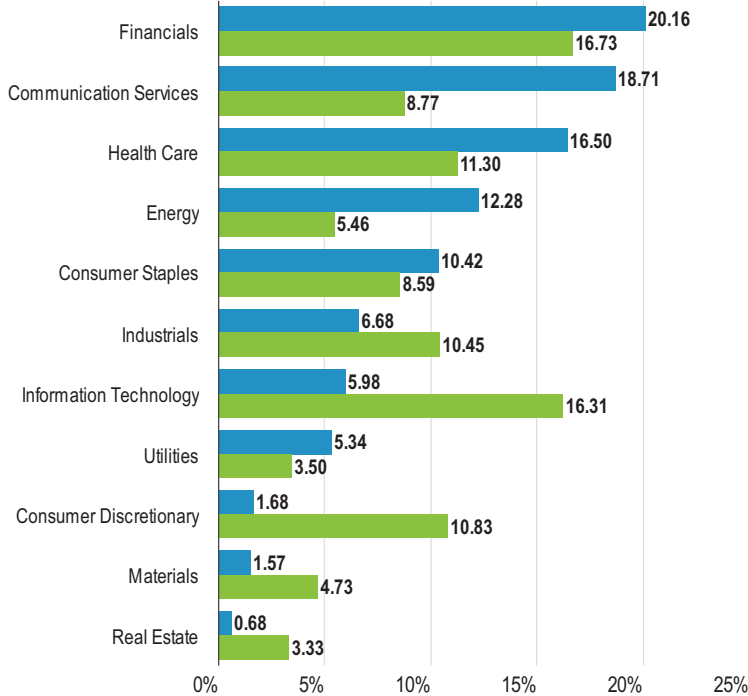
Market Value—Percent of Total



● Templeton Global Balanced Fund
● Bloomberg Barclays Multiverse Index

Sector Allocation vs. MSCI All Country World Index¹³

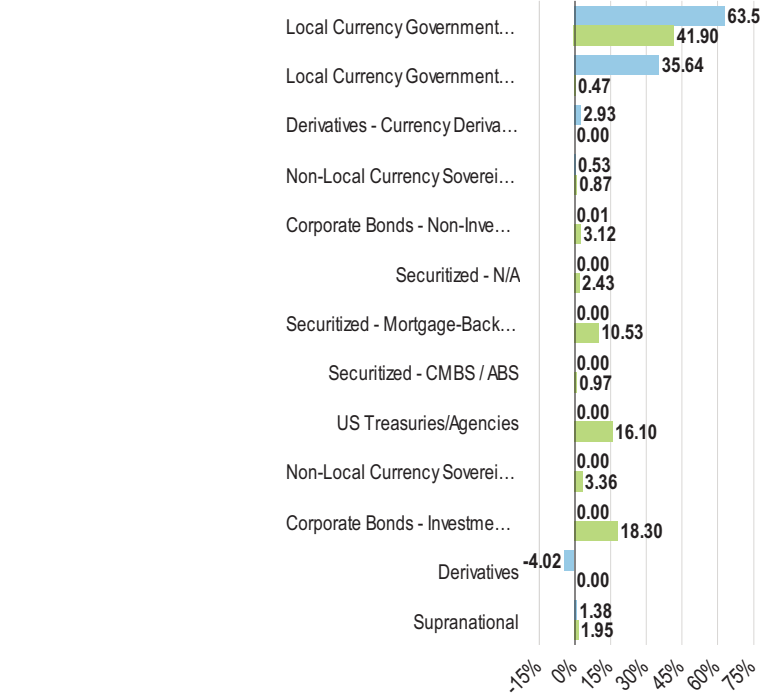
Market Value—Percent of Equity



● Templeton Global Balanced Fund
● MSCI All Country World Index

Sector Allocation vs. Bloomberg Barclays Multiverse Index²

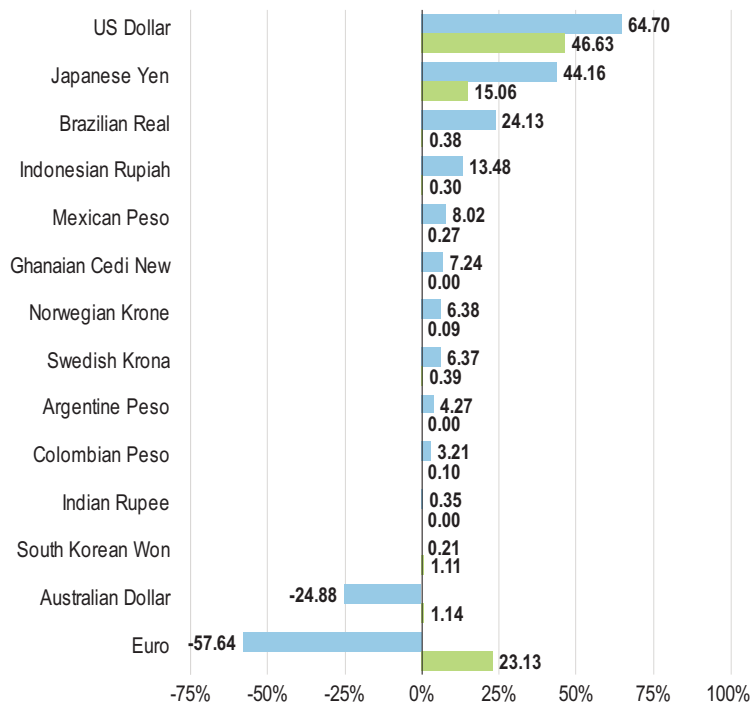
Market Value—Percent of Fixed Income



● Templeton Global Balanced Fund
● Bloomberg Barclays Multiverse Index

Currency Exposure vs. Bloomberg Barclays Multiverse Index¹⁴

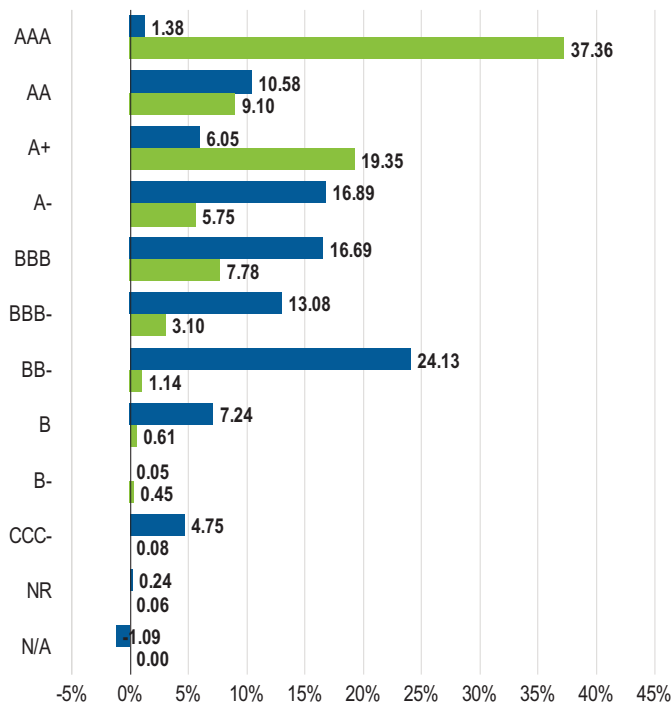
Notional Exposure—Percent of Fixed Income



● Templeton Global Balanced Fund
● Bloomberg Barclays Multiverse Index

Credit Quality Allocation vs. Bloomberg Barclays Multiverse Index^{2,15,16}

Market Value—Percent of Fixed Income



● Templeton Global Balanced Fund
● Bloomberg Barclays Multiverse Index

Supplemental Performance Statistics

Supplemental Risk Statistics^{17,18}

	3 Yrs	5 Yrs	10 Yrs
Standard Deviation (%)	9.57	9.90	11.54
Tracking Error (%)	5.13	4.58	3.94
Information Ratio	-1.36	-1.29	-0.95
Sharpe Ratio	0.19	0.04	0.40

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 at (800) DIAL BEN/342-5236 or visit franklintempleton.com for the most recent month-end performance.

Investment Philosophy

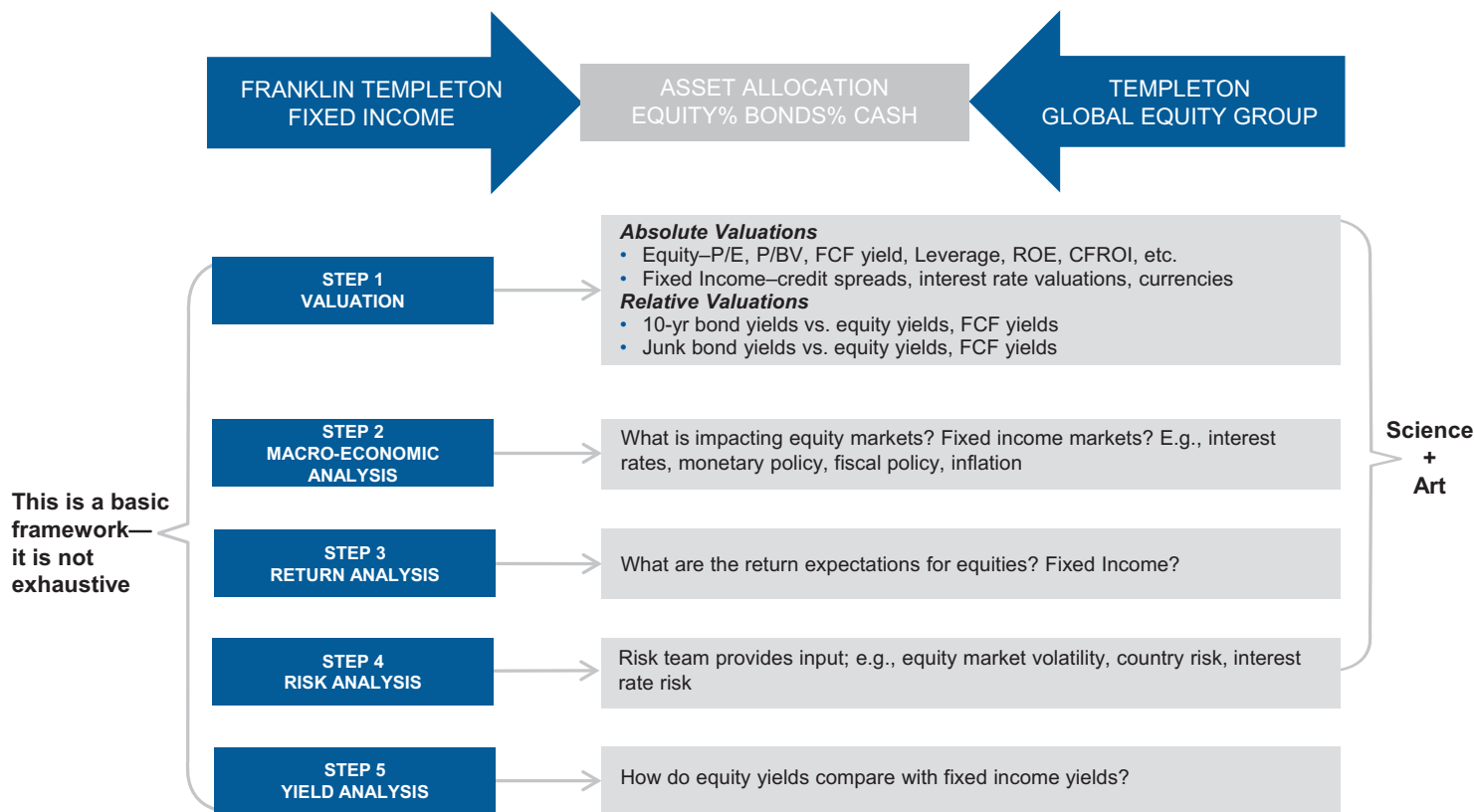
Templeton Global Balanced Fund combines the global expertise and research resources of two experienced investment teams, Templeton Global Equity Group and Franklin Templeton Fixed Income. The fund's allocations take into account each group's bottom-up views of relative opportunities in each asset class. This process ensures that the overall allocation is based on each team's on-the-ground observations and reflects the team's highest-conviction ideas.

16. Ratings shown are assigned by one or more Nationally Recognized Statistical Rating Organizations ("NRSRO"), such as Standard & Poor's, Moody's and Fitch. The ratings are an indication of an issuer's creditworthiness and typically range from AAA or Aaa (highest) to D (lowest). When ratings from all three agencies are available, the middle rating is used; when two are available, the lowest rating is used; and when only one is available, that rating is used. Foreign government bonds without a specific rating are assigned the country rating provided by an NRSRO, if available. The NR category consists of ratable securities that have not been rated by an NRSRO. The N/A category consists of nonratable securities (e.g., equities). Cash and equivalents are excluded from this breakdown.

17. Information Ratio and Tracking Error information are displayed for the product versus the MSCI All Country World Index.

18. Information Ratio is a way to evaluate a manager's ability to outperform a benchmark in relation to the risk that manager is assuming, with risk defined as deviation from the benchmark. This measure is calculated by dividing the portfolio's excess return (portfolio return less the benchmark return) by the tracking error (derived by taking the standard deviation of the monthly differences between the portfolio return and the benchmark return over time).

Investment Process



Investment Team

Portfolio Manager	Years with Firm	Years Experience
Heather Arnold, CFA, EVP, Director of Research, Portfolio Manager, Research Analyst	14	35
Michael Hasenstab, Ph. D., Executive VP & Chief Investment Officer	20	24
Norman Boersma, CFA, Chief Investment Officer	27	33
Warren Pustam, CFA, VP, Portfolio Manager, Research Analyst	6	13

Average Duration: The market-weighted average of the duration of bonds. Duration of each bond is the estimated percentage change in the bond’s price for a 1% change in the bond’s yield.

Average Weighted Maturity: An estimate of the number of terms to maturity, taking the possibility of early payments into account, for the underlying holdings. Maturity is expressed as a number of years.

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. Market capitalization is expressed in millions of USD.

Price to Book Value: The price per share of a stock divided by its book value (i.e., net worth) per share. For a portfolio, the value represents a weighted average of the stocks it holds.

Price to Cash Flow: Supplements price/earnings ratio as a measure of relative value for a stock. For a portfolio, the value represents a weighted average of the stocks it holds.

Price to Earnings (12-mo Trailing): The share price of a stock, divided by its per-share earnings over the past year. For a portfolio, the value represents a weighted average of the stocks it holds.

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 returns vary from the average of its previous returns. The larger the standard deviation, the greater the likelihood (and risk) that performance will fluctuate from the average return.

Tracking Error: Measure of the deviation of the return of a product compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment is managed, the smaller the tracking error.

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. 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 the prices of bonds in the fund adjust to a rise in interest rates, the fund's share price may decline. The risks associated with higher-yielding, lower-rated debt securities include higher risk of default and loss of principal. The markets for a particular security or instrument or type of security or instrument 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 or instruments when necessary to meet the fund's liquidity needs or in response to a specific market event. The fund's investment in derivative securities, such as swaps, financial futures and option contracts, and use of foreign currency techniques involve special risks as such may not achieve the anticipated benefits and/or may result in losses to the fund. The fund's risk considerations are discussed in the prospectus.

Important Legal 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.

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2. Market value figures reflect the trading value of the investments. Portfolio breakdown percentages may not total 100% and may be negative due to rounding, use of any derivatives, unsettled trades or other factors.
9. 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.
10. Average Duration and Average Weighted Maturity reflect certain derivatives held in the portfolio (or their underlying reference assets).
11. Information is historical and may not reflect current or future portfolio characteristics. All holdings are subject to change.
13. Information is historical and may not reflect current or future portfolio characteristics. Percentage may not equal 100% due to rounding. All holdings are subject to change.
14. 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). Portfolio breakdown percentages may not total 100% and may be negative due to rounding, use of any derivatives, unsettled trades or other factors.
15. 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.



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Franklin Templeton Distributors, Inc.

One Franklin Parkway
San Mateo, CA 94403-1906
(800) DIAL BEN/342-5236
franklintempleton.com