

Product Details¹

Fund Assets	\$19,532,458.78
Fund Inception Date	29/10/2010
Number of Securities Including Cash	129
Bloomberg	FTAAMDU LX
ISIN	LU0543369770
Base Currency	USD
Investment Style	Multi-Sector
Benchmark	Bloomberg Barclays Global Aggregate Index
Morningstar Category™	Global Bond

Asset Allocation²

Market Value—Percent of Total	%
Fixed Income	91.64
Cash & Cash Equivalents	8.36

Fund Description

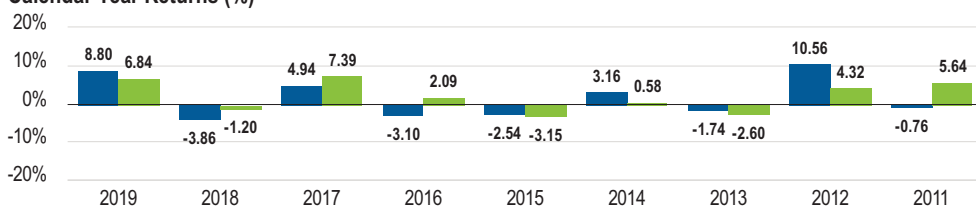
The fund seeks to maximise, consistent with prudent investment management, total investment return, consisting of a combination of interest income and capital appreciation. The fund seeks to achieve this objective by investing principally in fixed or floating rate debt securities issued by governments, government-related entities and corporations worldwide. The fund invests mainly in investment grade securities, but may invest up to 10% in non-investment grade.

Performance Data
Discrete Annual Performance (%) as at 31/05/2020

	5/19-5/20	5/18-5/19	5/17-5/18	5/16-5/17	5/15-5/16
A (Mdis) USD	2.74	2.70	-0.87	-1.53	0.07
Bloomberg Barclays Global Aggregate Index USD	5.59	3.09	1.72	0.77	5.32

Performance Net of Management Fees as at 31/05/2020 (Dividends Reinvested) (%)^{3,4}

	1 Mth	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	Since Inception (29/10/2010)
A (Mdis) USD	2.76	-2.96	-1.94	2.74	1.51	0.61	0.97
Bloomberg Barclays Global Aggregate Index	0.44	0.12	2.08	5.59	3.46	3.28	1.95

Calendar Year Returns (%)


- A (Mdis) USD
- Bloomberg Barclays Global Aggregate Index

Past performance is not an indicator or a guarantee of future performance.

Portfolio Manager Insight
Performance Review
ONE-MONTH KEY PERFORMANCE DRIVERS

	Currencies	Duration	Sector Allocation	Security Selection
HELPED	Norwegian krone overweight	Poland overweight	US corporate high-yield industrial bonds overweight	Hard-currency emerging market bonds
	Mexican peso overweight	Mexico overweight	US Treasuries underweight	US mortgage-backed securities
	Polish zloty overweight	China underweight	Hard-currency emerging market bonds overweight	US corporate investment-grade industrial bonds
HURT	Euro underweight	Eurozone overweight	—	US corporate high-yield industrial bonds
	Japanese yen overweight	—	—	—
	British pound overweight	—	—	—

1. All holdings are subject to change.

- The fund's security selection and sector allocation contributed to relative results, particularly positioning in hard-currency emerging market bonds. Positioning in US corporate investment-grade industrial bonds also added value, as did an overweight allocation to US corporate high-yield industrial issues, although this was diluted by the negative impact of selection in this area.
- The fund's local market allocation also bolstered relative performance, namely overweight allocations to Uruguay, South Africa, Poland and Colombia.
- There were no significant detractors from relative returns.

Outlook & Strategy

- The prognosis for the US remains unclear, but we maintain our belief that the relative health of the US economy before the COVID-19 outbreak, and the expansionary fiscal and monetary policies now in place, should help the country navigate the crisis.
- In currency markets, we anticipate further periods of volatility and expect investors to continue seeking out the safer havens, such as the US dollar.
- In our view, the proposed issuance of debt by the European Union should help reduce the risk premium in both European credit and peripheral government bonds.

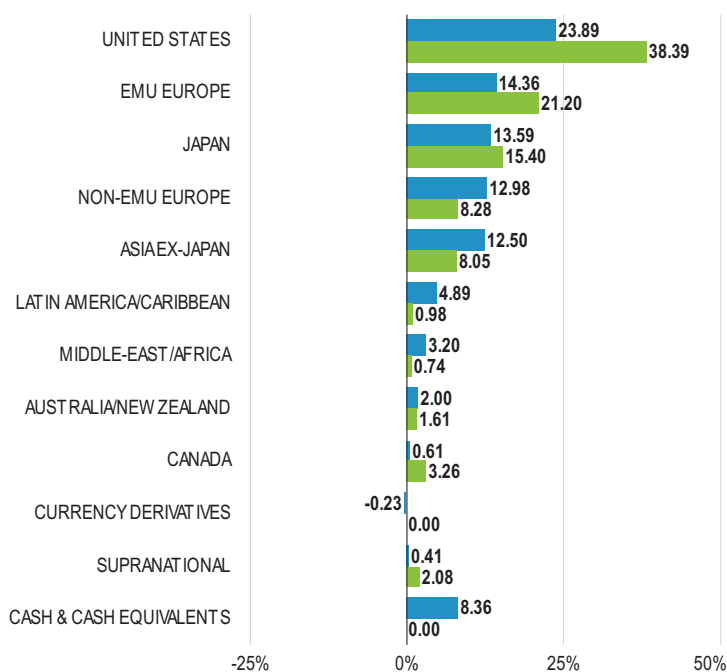
Portfolio Characteristics^{5,6,7}

	Portfolio	Bloomberg Barclays Global Aggregate Index
Yield to Maturity	2.62%	1.00%
Yield to Worst	2.59%	0.99%
Average Duration	7.76 Yrs	7.20 Yrs
Average Credit Quality ⁸	A-	AA-
Average Weighted Maturity	10.28 Yrs	8.88 Yrs

Portfolio Diversification⁵

Geographic Exposure vs. Bloomberg Barclays Global Aggregate Index⁹

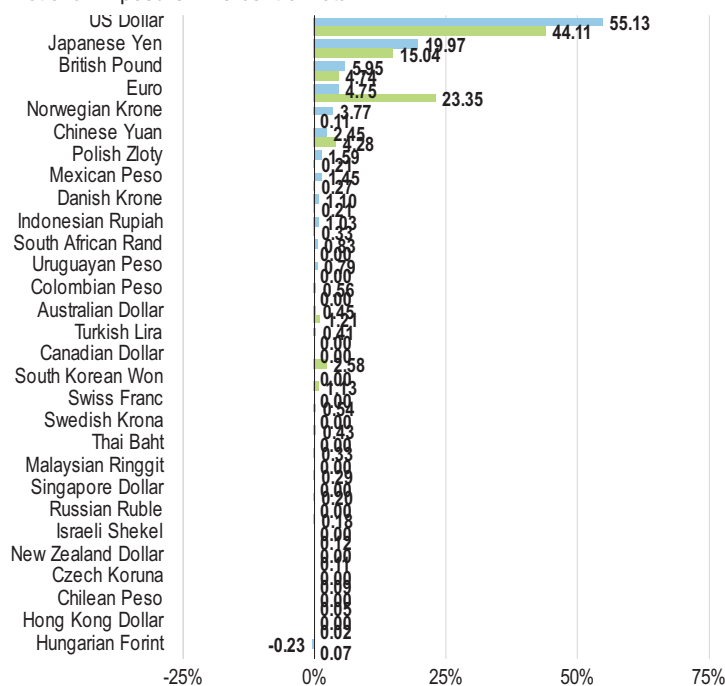
Notional Exposure—Percent of Total



● Franklin Global Aggregate Bond Fund
● Bloomberg Barclays Global Aggregate Index

Currency Exposure vs. Bloomberg Barclays Global Aggregate Index⁹

Notional Exposure—Percent of Total



● Franklin Global Aggregate Bond Fund
● Bloomberg Barclays Global Aggregate Index

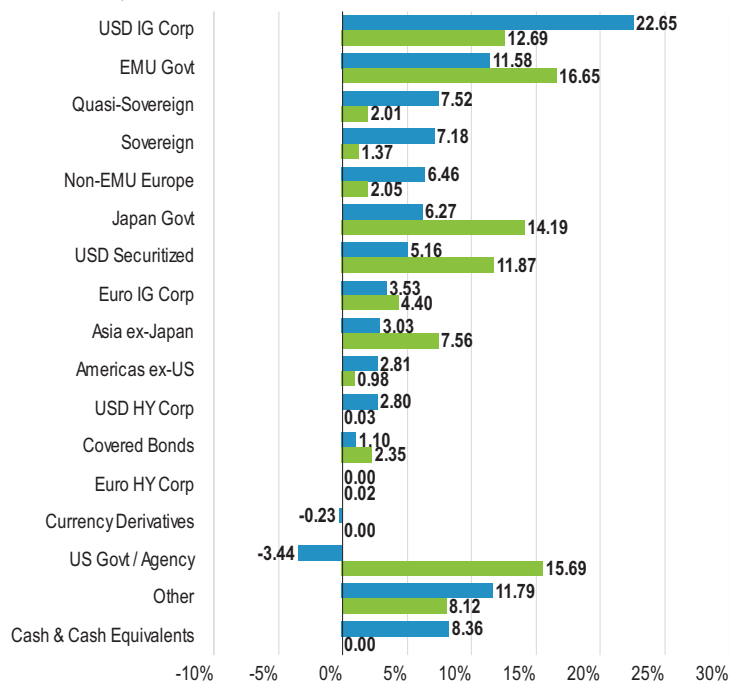
7. Yield figures quoted should not be used as an indication of the income that has or will be received. Yield figures are based on the portfolio's underlying holdings and do not represent a payout of the portfolio. **Past performance is not an indicator or a guarantee of future performance.**

8. The average credit quality (ACQ) rating may change over time. The portfolio itself has not been rated by an independent rating agency. The letter rating, which may be based on bond ratings from different agencies (or internal ratings for unrated bonds, cash and equivalents), is provided to indicate the average credit rating of the portfolio's underlying investments and generally ranges from AAA (highest) to D (lowest). For unrated bonds, cash and equivalents, ratings may be assigned based on the ratings of the issuer, the ratings of the underlying holdings of a pooled investment vehicle, or other relevant factors. The ACQ is determined by assigning a sequential integer to all credit ratings AAA to D, taking a simple, asset-weighted average of investments by market value and rounding to the nearest rating. The risk of default increases as a bond's rating decreases, so the ACQ provided is not a statistical measurement of the portfolio's default risk because a simple, weighted average does not measure the increasing level of risk from lower-rated bonds. The ACQ may be lower if cash and equivalents are excluded from the calculation. The ACQ is provided for informational purposes only. Derivative positions are not reflected in the ACQ.

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Sector Exposure vs. Bloomberg Barclays Global Aggregate Index⁹

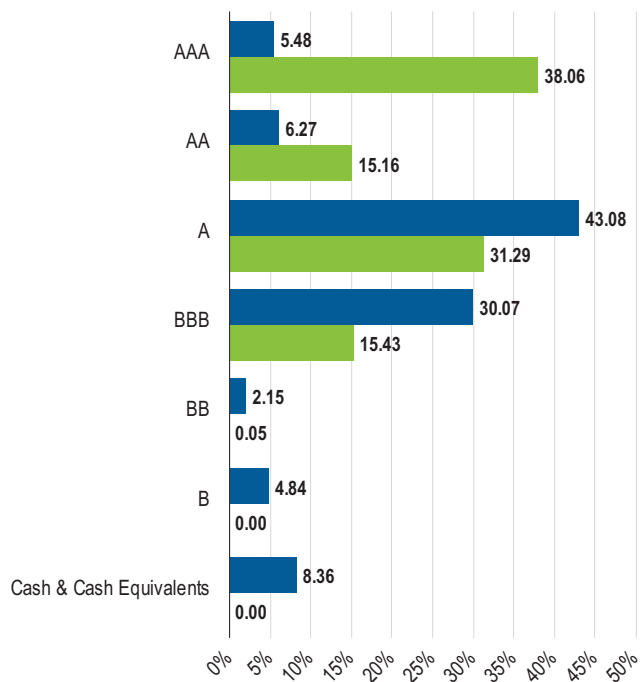
Notional Exposure—Percent of Total



● Franklin Global Aggregate Bond Fund
● Bloomberg Barclays Global Aggregate Index

Credit Quality Allocation^{2,10}

Market Value—Percent of Total



● Franklin Global Aggregate Bond Fund
● Bloomberg Barclays Global Aggregate Index

Supplemental Performance Statistics

Supplemental Risk Statistics¹¹

	3 Yrs	5 Yrs	Since Inception
Standard Deviation (%)			
Franklin Global Aggregate Bond Fund	6.06	6.18	6.85
Bloomberg Barclays Global Aggregate Index	4.95	5.07	6.63
Tracking Error (%)	3.83	3.39	3.40
Information Ratio¹²	-0.51	-0.79	-0.29
Beta	0.96	1.01	0.91
Sharpe Ratio			
Franklin Global Aggregate Bond Fund	0.42	0.17	0.53
Bloomberg Barclays Global Aggregate Index	0.90	0.71	0.69

Investment Team

Portfolio Manager	Years with Firm	Years Experience
David Zahn, CFA	14	26
John Beck	30	33
Patrick A. Klein, Ph. D.	14	15
Sonal Desai, Ph. D.	10	26

10. 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 includes equivalents, which may be rated.

11. Beta, Information Ratio and Tracking Error information are measured against the Bloomberg Barclays Global Aggregate Index.

12. 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).

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What Are the Key Risks?

The value of shares in the Fund and income received from it can go down as well as up and investors may not get back the full amount invested. Performance may also be affected by currency fluctuations. Currency fluctuations may affect the value of overseas investments. The Fund invests mainly in debt securities issued by any government or corporation worldwide. Such securities have historically been subject to price movements, generally due to interest rates or movements in the bond market. As a result, the performance of the Fund can fluctuate moderately over time. Other significant risks include: credit risk, currency risk, derivatives risk, liquidity risk. For full details of all of the risks applicable to this Fund, please refer to the “Risk Considerations” section of the Fund in the current prospectus of Franklin Templeton Investment Funds.

Important Legal Information

This document does not constitute legal or tax advice nor is it investment advice or an offer for shares of Franklin Templeton Investment Funds (the "Fund"). Subscriptions to shares of the Fund can only be made on the basis of the current prospectus and, where available, the relevant Key Investor Information Document, accompanied by the latest available audited annual report and the latest semi-annual report accessible on our website www.ftidocuments.com or which can be obtained, free of charge, from Franklin Templeton International Services, S.à r.l. - 8A, rue Albert Borschette, L-1246 Luxembourg.

Past performance is not an indicator or a guarantee of future performance. The value of shares in the Fund and income received from it can go down as well as up, and investors may not get back the full amount invested. Investment in the Fund entails risks which are described in the Fund's prospectus and, where available, in the relevant Key Investor Information Document or any other relevant offering document. Special risks may be associated with a Fund's investment in certain types of securities, asset classes, sectors, markets, currencies or countries and in the Fund's possible use of derivatives. References to particular industries, sectors or companies are for general information and are not necessarily indicative of a fund's holdings at any one time. Currency fluctuations may affect the value of overseas investments. When investing in a fund denominated in a foreign currency, your performance may also be affected by currency fluctuations. Where a Fund invests in emerging markets, this investment can be more risky than an investment in developed markets. No shares of the Fund may be directly or indirectly offered or sold to residents of the United States of America.

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.

Securities mentioned in this report are not a solicitation to purchase those securities, and are examples of some securities which performed well. Not all securities in the portfolio performed well. These securities do not represent all the securities purchased, sold or recommended for advisory clients, and the reader should not assume that investment in the security listed was or will be profitable. Holdings are subject to change, holdings of the same issuer have been combined. The information provided is not a recommendation to purchase, sell or hold any particular security. The security identified does not represent the Fund's entire holdings and in the aggregate, may represent a small percentage of such holdings. There is no assurance that security purchased will remain in the Fund, or that security sold will not be repurchased. In addition, it should not be assumed that any securities mentioned were or will prove to be profitable. For the most current information on the fund, please contact your Franklin Templeton marketing representative.

Performance figures are not based on audited financial statements and assume reinvestment of interest and dividends. When comparing the performance of Franklin Templeton Investment Funds (the "Fund") with a benchmark index, it is important to note that the securities in which the Fund invests may be substantially different than those represented by the benchmark index. Furthermore, an investment in Franklin Templeton Investment Funds represents an investment in a managed investment company in which certain charges and expenses, including management fees, are applicable. These charges and expenses are not applicable to indices. Lastly, please note that indices are unmanaged and are not available for direct investment. Certain data and other information shown have been supplied by outside sources. While we consider that information to be reliable, we give no assurance that such data and information is accurate or complete.

References to indexes are made for comparative purposes only and are provided to represent the investment environment existing during the time periods shown. The indices include a greater number of securities than those held in the Fund. An index is unmanaged and one cannot invest directly in an index. The performance of the index does not include the deduction of expenses and does not represent the performance of any Franklin Templeton fund. **Past performance is not an indicator or a guarantee of future performance.**

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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.

3. Source for all information is Franklin Templeton. Benchmark related data provided by FactSet. **Past performance is not an indicator or a guarantee of future performance.** Periods greater than one year are shown as average annual total returns. Fund performance data include reinvested dividends, and is net of management fees. Sales charges, other commissions, taxes and other relevant costs to be paid by the investor are not included. The fund offers other share classes subject to different fees and expenses, which will affect their performance. Please see the prospectus for details.

4. When performance for either the portfolio or its benchmark has been converted, different foreign exchange closing rates may be used between the portfolio and its benchmark.

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

6. Yield to Maturity, Yield to Worst, Average Duration and Average Weighted Maturity reflect certain derivatives held in portfolio (or their underlying reference assets).

9. 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.



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