



# Franklin Templeton Investment Funds Franklin Strategic Income Fund

Multi-Sector Fixed  
Income  
LU0300738357  
31 March 2023

## Fund Fact Sheet

**For Professional Client Use Only. Not for distribution to Retail Clients.**

### Fund Overview

Base Currency for Fund	USD
Total Net Assets (USD)	447 million
Fund Inception Date	12.07.2007
Number of Holdings	449
Benchmark	Bloomberg U.S. Aggregate Index
Investment Style	Multi-Sector
Morningstar Category™	USD Flexible Bond

### Summary of Investment Objective

The Fund aims to earn a high level of current income and seeks capital appreciation over the long term by investing principally in fixed and floating rate debt securities globally, including those in emerging markets.

### Fund Management

Sonal Desai, PhD: United States  
Patrick A. Klein, PhD: United States  
Patricia O'Connor, CFA: United States  
Thomas Runkel, CFA: United States  
Benjamin Cryer, CFA: United States

### Ratings - I (acc) USD

Overall Morningstar Rating™: ★★ ★

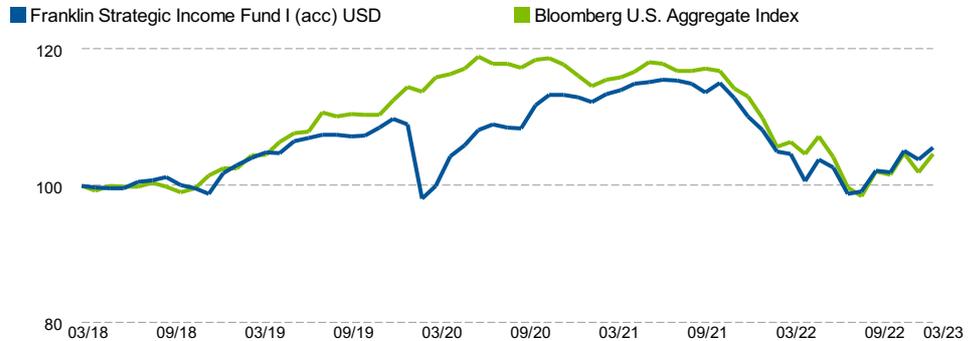
### Asset Allocation (Market Value)

Fixed Income	90.96%
Cash & Cash Equivalents	8.11%
Equity	0.93%

### Performance

**Past performance does not predict future returns.**

**Performance over 5 Years in Share Class Currency (%)**



### Discrete Annual Performance in Share Class Currency (%)

	03/22	03/21	03/20	03/19	03/18	03/17	03/16	03/15	03/14	03/13
I (acc) USD	-2.37	-3.67	14.31	-5.70	4.12	1.14	7.11	-3.58	0.27	3.46
Benchmark in USD	-4.78	-4.15	0.71	8.93	4.48	1.20	0.44	1.96	5.71	-0.10
Benchmark in EUR	-2.49	1.24	-5.98	11.48	14.44	-11.99	7.01	-3.90	35.65	-6.92

### Performance in Share Class Currency (%)

	Cumulative						Annualised			
	1 Mth	6 Mths	YTD	1 Yr	3 Yrs	10 Yrs	Since Incept	3 Yrs	10 Yrs	Since Incept
I (acc) USD	1.68	6.83	3.49	-2.37	7.51	14.36	69.04	2.45	1.35	3.40
Benchmark in USD	2.54	4.89	2.96	-4.78	-8.09	14.50	62.13	-2.77	1.36	3.12
Benchmark in EUR	0.09	-5.42	1.14	-2.49	-7.17	35.33	105.50	-2.45	3.07	4.69
Category Average	0.34	4.86	1.50	-3.66	5.09	16.08	60.95	1.67	1.50	3.07
Quartile	1	1	1	2	2	3	1	2	3	1

### Calendar Year Performance in Share Class Currency (%)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
I (acc) USD	-11.29	1.55	4.32	9.79	-2.10	3.85	7.23	-4.72	1.60	3.17
Benchmark in USD	-13.01	-1.54	7.51	8.72	0.01	3.54	2.65	0.55	5.95	-2.02
Benchmark in EUR	-7.31	5.93	-1.37	10.72	5.06	-9.05	5.72	12.00	20.66	-6.26

The fund's returns may increase or decrease as a result of changes to foreign exchange rates.

**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.** All performance data shown is in the currency stated, include reinvested dividends and are net of management fees. Sales charges and other commissions, taxes and other relevant costs paid by the investor are not included in the calculations. The fund offers other share classes subject to different fees and expenses, which will affect their performance.

### Fund Measures

Average Credit Quality	A-
Average Duration	3.83 Years
Average Weighted Maturity	5.46 Years
Yield to Maturity	6.12%
Standard Deviation (5 Yrs)	7.06%
Sharpe Ratio (5 Yrs)	-0.04
Tracking Error (5 Yrs)	5.88%
Information Ratio (5 Yrs)	0.03

### Share Class Information

Share Class	Incept Date	NAV	TER (%) 28.02.2023	Fees		Dividends		Fund Identifiers		
				Max. Annual Charge (%)	Frequency	Last Paid Date	Last Paid Amount	Bloomberg ID	ISIN	
I (acc) USD	12.07.2007	USD 16.90	0.81	0.55	N/A	N/A	N/A	N/A	FTSIIAU LX	LU0300738357

The charges are the fees the fund charges to investors to cover the costs of running the Fund. Additional costs, including transaction fees, will also be incurred. These costs are paid out by the Fund, which will impact on the overall return of the Fund.

Fund charges will be incurred in multiple currencies, meaning that payments may increase or decrease as a result of currency exchange fluctuations.

**For Professional Client Use Only. Not for distribution to Retail Clients.****Composition of Fund**

■ Franklin Strategic Income Fund ■ Bloomberg U.S. Aggregate Index

**Geographic (Notional Exposure)**

	% of Total	
United States	69.05	/ 92.79
United Kingdom	1.98	/ 1.03
Canada	1.45	/ 1.14
Switzerland	1.16	/ 0.13
France	1.12	/ 0.08
Colombia	1.06	/ 0.00
Norway	0.83	/ 0.05
China	0.83	/ 0.17
Mexico	0.81	/ 0.32
Others	7.17	/ 4.29
Cash & Cash Equivalents	8.11	/ 0.00

**Currency (Notional Exposure)**

	% of Total	
U.S. Dollar	99.99	/ 100.00
Japanese Yen	0.50	/ 0.00
Colombian Peso	0.02	/ 0.00
Euro	-0.51	/ 0.00

**Duration (Notional Exposure)**

	% of Total	
0 to 1 Year	13.29	/ 1.26
1 to 2 Years	11.68	/ 12.57
2 to 3 Years	10.02	/ 10.87
3 to 5 Years	29.66	/ 22.47
5 to 7 Years	15.07	/ 21.04
7 to 10 Years	8.43	/ 15.90
10 to 15 Years	1.45	/ 8.37
15 to 20 Years	3.05	/ 7.05
20 to 30 Years	0.00	/ 0.48
N/A	0.93	/ 0.00

**Duration Contribution by Country**

	Yrs	
North America	3.18	/ 5.94
Europe	0.36	/ 0.14
Latin America / Caribbean	0.13	/ 0.07
Asia	0.10	/ 0.07
Supranational	0.04	/ 0.05
Middle East / Africa	0.02	/ 0.01
Australia / New Zealand	0.00	/ 0.01

**Duration Contribution by Currency**

	Yrs	
U.S. Dollar	3.80	/ 6.28
Colombian Peso	0.02	/ 0.00
Euro	0.01	/ 0.00

**Sector (Notional Exposure)**

	% of Total	
High Yield Corporates	25.52	/ 0.01
Investment Grade Corporates	24.83	/ 24.46
U.S. Treasury	22.69	/ 41.06
Agency Mortgage-Backed Securities	6.46	/ 27.17
Collateralised Loan Obligation	5.59	/ 0.00
Bank Loans	3.16	/ 0.00
Residential Mortgage-Backed Securities	2.31	/ 0.00
Non-Local Currency Emerging Market Bonds	1.47	/ 0.84
Interest-Rate Derivatives	-11.98	/ 0.00
Others	5.43	/ 6.47
Cash & Cash Equivalents	8.11	/ 0.00

**Credit Quality (Notional Exposure)**

	% of Total	
AAA	34.08	/ 72.93
AA	3.86	/ 3.10
A	9.88	/ 11.20
BBB	19.34	/ 12.75
BB	14.09	/ 0.00
B	12.76	/ 0.00
CCC	2.17	/ 0.00
Not Rated	0.38	/ 0.01
Not Applicable	0.92	/ 0.00
Cash & Cash Equivalents	8.11	/ 0.00

**Maturity (Market Value)**

	% of Total	
0 to 1 Year	11.10	/ 1.06
1 to 2 Years	13.78	/ 11.50
2 to 3 Years	8.71	/ 10.08
3 to 5 Years	18.99	/ 17.32
5 to 7 Years	18.64	/ 16.01
7 to 10 Years	21.89	/ 26.38
10 to 15 Years	1.81	/ 1.78
15 to 20 Years	0.53	/ 4.88
20 to 30 Years	3.34	/ 10.24
30+ Years	0.26	/ 0.76
N/A	0.93	/ 0.00

**Duration Contribution by Sector**

	Yrs	
Investment Grade Corporates	1.37	/ 1.75
U.S. Treasury	0.98	/ 2.53
High Yield Corporates	0.98	/ 0.00
Agency Mortgage-Backed Securities	0.33	/ 1.61
Non-Local Currency Emerging Market Bonds	0.08	/ 0.08
Non-US Developed Bonds	0.05	/ 0.09
Treasury Inflation-Protected Securities	0.03	/ 0.00
Municipal Bonds	0.03	/ 0.06
Local Currency Emerging Market Bonds	0.02	/ 0.00
Others	-0.04	/ 0.13

**Portfolio Data Derivatives 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. Credit Quality and Average Credit Quality figures are intended to estimate the portfolio's exposure to issuer credit risk, including any hedged or increased exposure through credit derivatives held in the portfolio (or their underlying reference assets). Any credit derivatives are assigned the ratings of their underlying reference assets. Average Duration, Average Weighted Maturity, Yield to Maturity and Duration Contribution by Country, Sector and Currency 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 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 of any quality from issuers of both developed and emerging countries. Such securities have historically been subject to price movements, generally due to interest rates, foreign exchange rates or movements in the bond market. As a result, the performance of the Fund can fluctuate moderately over time. The Fund may distribute income gross of expenses. Whilst this might allow more income to be distributed, it may also have the effect of reducing capital. Other significant risks include: credit risk, derivatives instruments risk, emerging markets risk, liquidity risk, securitisation 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.

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For the avoidance of doubt, if you make a decision to invest, you will be buying units/shares in the Fund and will not be investing directly in the underlying assets of the Fund.

Benchmark related data provided by FactSet, as of the date of this document, unless otherwise noted.

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**Fund Measures:** 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.

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.

**Composition of Fund:** Ratings shown are assigned by one or more Nationally Recognised Statistical Rating Organisations ('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 Not Rated category consists of rateable securities that have not been rated by an NRSRO. The Not Applicable category consists of nonrateable securities (e.g., equities). Cash includes equivalents, which may be rated.