



**FRANKLIN TEMPLETON  
INVESTMENTS**

# FRANKLIN U.S. EQUITY FUND

A SUB-FUND OF FRANKLIN TEMPLETON INVESTMENT FUNDS

31 December 2010

## INVESTMENT OBJECTIVE

The Fund aims to achieve long-term capital appreciation by investing principally in US equity securities or convertibles as well as American Depository Receipts and American Depository Shares listed on the major US stock exchanges.

## FUND MANAGER

**Kent Shepherd**

## FUND DATA

**Fund Inception Date:** 1 Jul 1999  
**A(acc)USD:** 1 Jul 1999  
**B(acc)USD:** 1 Jul 1999  
**Base Currency of Fund:** USD  
**Fund size:** USD 613 million  
**Net Asset Value as of:** 31 Dec 2010  
**A(acc)USD:** USD 15.91  
**B(acc)USD:** USD 13.66  
**High/Low NAV:** **A(acc)USD**  
**1 Year High:** USD 15.93 29 Dec 2010  
**1 Year Low:** USD 13.26 5 Jul 2010

## FEES

	INITIAL SALES CHARGE	SERVICING CHARGE
<b>A shares</b>	Up to 5.00%	N/A
<b>B shares</b>	N/A	Up to 1.06%
	MANAGEMENT FEE	MAINTENANCE CHARGE
<b>A shares</b>	1.00%	Up to 0.50%
<b>B shares</b>	1.00%	Up to 0.75%

## FUND RATINGS

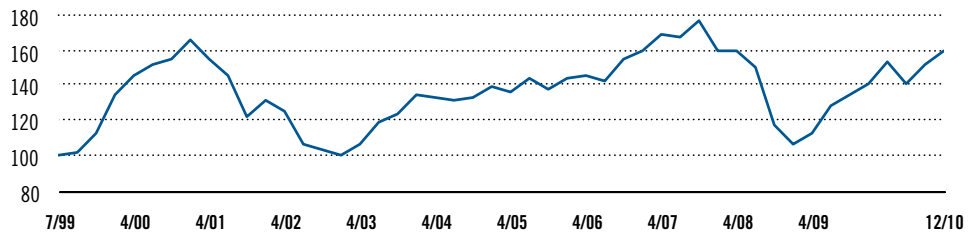
Morningstar™ Overall Rating:<sup>2</sup> ★★★★★

## CODES

	ISIN	BLOOMBERG
<b>A(acc)USD</b>	LU0098860363	TEMFUAILX
<b>B(acc)USD</b>	LU0098863896	TEMFUBILX

- The Fund may invest in derivatives, and as a result may be subject to liquidity and counterparty default risks.
- The Fund may invest in non-investment grade debt securities, and as a result may be subject to liquidity and counterparty default risks.
- This investment involves risks which may result in loss of part or entire amount of your investment.
- Before you decide to invest, you should make sure the intermediary has explained to you that the fund is suitable to you.
- Investors should not only base on this marketing material alone to make investment decisions.

## TOTAL PERFORMANCE SINCE LAUNCH - A(ACC)USD



## CUMULATIVE PERFORMANCE % (DIVIDENDS RE-INVESTED)

	YTD	3-MO	1-YR	3-YR	5-YR	10-YR	SINCE LAUNCH
A(acc)USD	10.26	9.42	10.26	-4.84	11.89	10.72	59.11
S&P 500 Index	15.06	10.76	15.06	-8.32	11.99	15.07	11.98

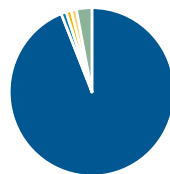
## CALENDAR YEAR PERFORMANCE % FOR A(ACC)USD (DIVIDENDS RE-INVESTED)

2010	2009	2008	2007	2006
10.26	29.88	-33.55	5.42	11.54

## PORTFOLIO COMPOSITION (% OF TOTAL)<sup>1</sup>

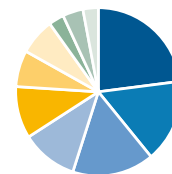
EQUITY	FIXED INCOME	CASH	3-YR ANNUALIZED STANDARD DEVIATION	AVG. DURATION	WEIGHTED AVERAGE P/E RATIO
96.74%	0.00%	3.26%	20.20	N/A	12.84

## GEOGRAPHICAL ALLOCATION<sup>1</sup>



United States	93%
Switzerland	1%
United Kingdom	1%
Israel	1%
Cash	3%

## SECTOR ALLOCATION<sup>1</sup>



Information Technology	23%
Health Care	16%
Financials	16%
Energy	11%
Industrials	10%
Consumer Staples	7%
Consumer Discretionary	7%
Utilities	3%
Others	4%
Cash	3%

Source: Franklin Templeton Investments and Standard and Poor's Investment Services, in Fund Currency, NAV to NAV, taking into account of reinvestments and capital gain or loss. Performance information is based on A(acc)USD Shares only.

## TOP 5 HOLDINGS (31 DECEMBER 2010)

HOLDINGS	COUNTRY	INDUSTRY	%
JPMORGAN CHASE & CO	United States	Diversified Financials	2.80
WELLS FARGO & CO	United States	Banks	2.80
EXXON MOBIL CORP	United States	Energy	2.65
US BANCORP	United States	Banks	2.57
APPLE INC	United States	Technology Hardware & Equipment	2.50

FOR MORE INFORMATION, PLEASE VISIT US AT: [www.franklintempleton.com.hk](http://www.franklintempleton.com.hk)

1. Due to rounding, the sum of portfolio may not equal 100%. 2. Source: © 2010 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Copyright © 2010, Franklin Templeton Investments. All rights reserved. Franklin Templeton Investments (Asia) Limited is the issuer of this report. This report is neither an offer nor solicitation to purchase shares of the fund; applications for shares may only be made on forms of application available with the Explanatory Memorandum/Prospectus. Investments are subject to investment risks, fund value may go up as well as down and past performance is not indicative of future performance. The investment returns are denominated in fund currency. Investors investing in funds denominated in non-local currency should be aware of the risk of exchange rate fluctuations that may cause a loss of principal. Investors should read carefully the Explanatory Memorandum/Prospectus (including the section "Risk Considerations") for the relevant risks associated with the investment in the fund before investing. Distribution of this report may be restricted in certain jurisdictions. This report does not constitute the distribution of any information or the making of any offer or solicitation by anyone in any jurisdiction in which such distribution or offer is not authorized or to any person to whom it is unlawful to distribute such a report or make such an offer or solicitation. This report has not been reviewed by the Securities and Futures Commission of Hong Kong.