



Franklin Templeton Investment Funds Franklin Strategic Income Fund

Multi-Sector Fixed
Income
LU0727124124
30 September 2022

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)	446 million
Fund Inception Date	12.07.2007
Number of Holdings	480
Benchmark	Bloomberg U.S. Aggregate Index
Investment Style	Multi-Sector
Morningstar Category™	Other 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

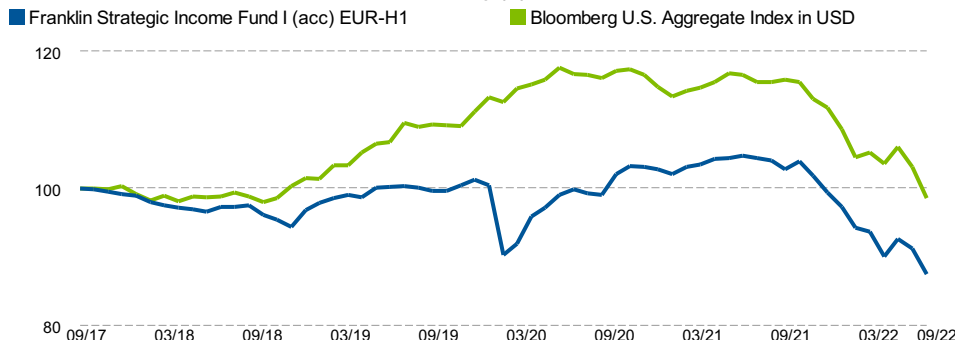
Asset Allocation (Market Value)

	%
Fixed Income	95.48
Cash & Cash Equivalents	3.74
Equity	0.79

Performance

Past performance does not predict future returns.

Performance over 5 Years in Share Class Currency (%)



Discrete Annual Performance in Share Class Currency (%)

	09/21	09/20	09/19	09/18	09/17	09/16	09/15	09/14	09/13	09/12
I (acc) EUR-H1	-16.23	5.20	-0.77	2.65	-2.50	1.66	5.74	-5.26	4.97	2.84
Benchmark in USD	-14.60	-0.90	6.98	10.30	-1.22	0.07	5.19	2.93	3.96	-1.68

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) EUR-H1	-4.15	-10.08	-15.81	-16.23	-12.55	-3.79	1.70	-4.37	-0.39	0.16
Benchmark in USD	-4.32	-9.22	-14.61	-14.60	-9.45	9.26	13.04	-3.25	0.89	1.16

Calendar Year Performance in Share Class Currency (%)

	2021	2020	2019	2018	2017	2016	2015	2014	2013
I (acc) EUR-H1	0.67	2.83	6.38	-4.86	1.32	5.96	-4.87	1.90	2.68
Benchmark in USD	-1.54	7.51	8.72	0.01	3.54	2.65	0.55	5.95	-2.02

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.

The share class shown has adopted a hedging strategy intended to reduce the effect of exchange rate movements between the currency of the Fund's investment strategy and the currency of the share class. The benchmark returns displayed are shown in the reference currency of the Fund's investment strategy (USD), while share class returns are shown in the reference currency of share class (EUR). As a result, the returns shown above reflect the effect of the hedging strategy and one can compare the returns of the Fund (net of fees) relative to its benchmark index without the impact of exchange rate movements on index returns.

Fund Measures

Average Credit Quality	BBB+
Average Duration	3.99 Years
Average Weighted Maturity	5.85 Years
Yield to Maturity	7.22%
Standard Deviation (5 Yrs)	6.75%
Sharpe Ratio (5 Yrs)	-0.30
Tracking Error (5 Yrs)	N/A
Information Ratio (5 Yrs)	N/A

Share Class Information

Share Class	Incept Date	NAV	TER (%)	Fees	Dividends		Last Paid Amount	Fund Identifiers	
				Max. Annual Charge (%)	Frequency	Last Paid Date		Bloomberg ID	ISIN
I (acc) EUR-H1	27.01.2012	EUR 10.17	0.81	0.55	N/A	N/A	N/A	FSIEH1 LX	LU0727124124

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.

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

Geographic (Notional Exposure)	% of Total
United States	82.18 / 92.76
United Kingdom	2.09 / 1.00
France	1.87 / 0.09
Mexico	1.52 / 0.28
Colombia	1.33 / 0.00
China	1.19 / 0.18
Canada	1.18 / 1.21
Switzerland	1.14 / 0.14
Euro Community	1.06 / 0.00
Others	10.98 / 4.34
Cash & Cash Equivalents	3.74 / 0.00

Currency (Notional Exposure)	% of Total
U.S. Dollar	99.65 / 100.00
Dominican Peso	0.68 / 0.00
Colombian Peso	-0.04 / 0.00
Euro	-0.30 / 0.00

Duration (Notional Exposure)	% of Total
0 to 1 Year	31.17 / 1.13
1 to 2 Years	7.68 / 12.35
2 to 3 Years	9.23 / 10.53
3 to 5 Years	28.95 / 20.71
5 to 7 Years	19.65 / 28.74
7 to 10 Years	5.22 / 11.60
10 to 15 Years	2.15 / 8.17
15 to 20 Years	3.43 / 6.46
20 to 30 Years	0.00 / 0.31
N/A	0.79 / 0.00

Duration Contribution by Country	Yrs
North America	3.16 / 5.83
Europe	0.34 / 0.14
Latin America / Caribbean	0.21 / 0.06
Asia	0.20 / 0.06
Supranational	0.04 / 0.05
Middle East / Africa	0.04 / 0.01
Australia / New Zealand	0.00 / 0.01

Duration Contribution by Currency	Yrs
U.S. Dollar	3.96 / 6.15
Colombian Peso	0.02 / 0.00
Euro	0.01 / 0.00

Sector (Notional Exposure)	% of Total
High Yield Corporates	28.72 / 0.00
U.S. Treasury	20.32 / 40.95
Investment Grade Corporates	20.20 / 23.81
Collateralised Loan Obligation	7.55 / 0.00
Agency Mortgage-Backed Securities	6.55 / 27.65
Bank Loans	5.23 / 0.00
Residential Mortgage-Backed Securities	4.59 / 0.00
Non-Local Currency Emerging Market Bonds	3.41 / 0.77
Non-US Developed Bonds	2.27 / 2.59
Others	5.70 / 4.23
Cash & Cash Equivalents	3.74 / 0.00

Credit Quality (Notional Exposure)	% of Total
AAA	30.85 / 73.54
AA	6.33 / 3.10
A	10.94 / 10.82
BBB	20.26 / 12.55
BB	15.23 / 0.00
B	14.08 / 0.00
CCC	4.41 / 0.00
CC	0.09 / 0.00
Not Rated	1.16 / 0.00
Not Applicable	0.88 / 0.00
Cash & Cash Equivalents	3.74 / 0.00

Maturity (Market Value)	% of Total
0 to 1 Year	8.79 / 0.98
1 to 2 Years	11.63 / 11.64
2 to 3 Years	12.93 / 10.23
3 to 5 Years	17.47 / 16.04
5 to 7 Years	20.33 / 15.12
7 to 10 Years	19.12 / 28.46
10 to 15 Years	3.45 / 2.41
15 to 20 Years	1.10 / 4.48
20 to 30 Years	4.15 / 9.92
30+ Years	0.23 / 0.73
N/A	0.79 / 0.00

Duration Contribution by Sector	Yrs
High Yield Corporates	1.19 / 0.00
Investment Grade Corporates	1.14 / 1.68
U.S. Treasury	0.84 / 2.46
Agency Mortgage-Backed Securities	0.35 / 1.62
Non-Local Currency Emerging Market Bonds	0.21 / 0.07
Municipal Bonds	0.09 / 0.06
Non-US Developed Bonds	0.06 / 0.09
Interest-Rate Derivatives	0.05 / 0.00
Treasury Inflation-Protected Securities	0.04 / 0.00
Others	0.02 / 0.14

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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Performance: References to indices are made for comparative purposes only and are provided to represent the investment environment existing during the time periods shown. 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.

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.