



FRANKLIN TEMPLETON
INVESTMENTS

FRANKLIN U.S. DOLLAR LIQUID RESERVE FUND

A SUB-FUND OF LUXEMBOURG-DOMICILED SICAV

August 31, 2012

INVESTMENT OBJECTIVE

The Fund aims to provide shareholders with the opportunity to invest in a portfolio of high quality, Short-Term securities, consisting principally of transferable securities and money market instruments of governments and eligible securities of companies of any nation worldwide, primarily USD denominated, or hedged back into USD to avoid any currency exposure.

FUND MANAGER AND LOCATION

Shawn Lyons, San Mateo, California

FUND DATA¹

Base Currency of Fund: US Dollar

Portfolio Size: \$338.44 million

Date of Launch: June 01, 1994

Purchase of Shares:

Min Initial Investment \$5,000.00

Min Subsequent Investment \$1,000.00

Primary Fund Benchmark/Index:

LIBID USD 1 Month Rate Index

Morningstar™ Workstation Category:

USD Money Market

Dividend Frequency: Monthly

Investment Management Fee (% p.a.):²

0.30%

Share Class	Date Paid	Amount
A(Mdis)USD	12/15/08	\$0.00
B(Mdis)USD	10/15/08	\$0.00

ASSET ALLOCATION¹

EQUITY	FIXED INCOME	CASH	# OF ISSUES
0.00%	0.00%	100.00%	18

PERFORMANCE IN SHARE CLASS CURRENCY AS OF AUGUST 31, 2012

	1-MO	3-MO	6-MO	1-YR	3-YR*	5-YR*	10-YR*	SINCE LAUNCH	SINCE LAUNCH*
A(Mdis)USD	0.00	-0.10	-0.10	-0.20	-0.21	0.43	1.27	58.87	2.57
A(acc)USD	0.00	-0.01	-0.10	-0.18	-0.21	0.43	1.26	15.95	1.32
B(Mdis)USD	-0.11	-0.32	-0.53	-1.16	-1.28	-0.60	0.35	13.89	0.99
C(acc)USD	-0.10	-0.29	-0.58	-1.15	-1.20	-0.55	-	3.21	0.32
N(acc)USD	-0.09	-0.28	-0.55	-1.09	-1.11	-0.45	0.44	7.86	0.65

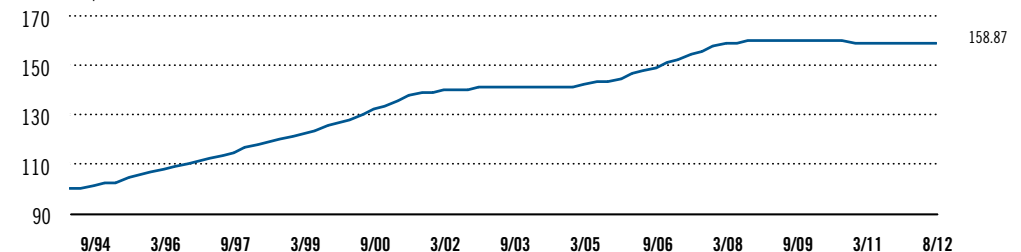
*Annualized Performance

CALENDAR YEAR PERFORMANCE AS OF AUGUST 31, 2012

	NAV	YTD	2011	2010	2009	2008	2007	2006	2005	2004
A(Mdis)USD	\$9.71	-0.10	-0.21	-0.31	-0.01	1.49	4.33	4.14	2.35	0.43
A(acc)USD	\$11.61	-0.10	-0.26	-0.26	-0.10	1.48	4.44	4.16	2.32	0.48
B(Mdis)USD	\$9.40	-0.74	-1.35	-1.23	-1.12	0.37	3.40	3.13	1.31	0.00
C(acc)USD	\$10.32	-0.77	-1.24	-1.22	-1.02	0.47	3.38	3.08	1.41	-0.10
N(acc)USD	\$10.85	-0.73	-1.09	-1.16	-0.97	0.63	3.41	3.24	1.45	0.00

TOTAL PERFORMANCE IN US DOLLAR AS OF AUGUST 31, 2012

*Since inception at NAV with an initial 100 USD investment and all dividends reinvested.



■ Franklin U.S. Dollar Liquid Reserve Fund - A(Mdis)USD

PORTFOLIO COMPOSITION (% OF TOTAL)¹

SIGNIFIGANT HOLDINGS³

SECURITY	%
U.S. Treasury Bill, 11/08/12	8.86
FHLMC, 8/07/12	7.86
FHLB, 8/03/12	7.70
Tennessee Valley Authority Discount Notes, 8/09/12	5.91
Wells Fargo & Co., 9/17/12	4.79
Province of British Columbia, 10/09/12	4.73
Colgate-Palmolive Co., 8/02/12	4.43
Chevron Corp., 8/14/12	4.43
Toyota Motor Credit Corp., 10/16/12	4.43
FHLB, 8/10/12	3.79

FIXED INCOME CHARACTERISTICS

STATISTICS	
Average Duration	0.10 Yrs
Weighted Avg Yield to Maturity	0.10%
3 Yrs Annualized Std Deviation - Fund	0.16%

Client Services

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COUNTRY BREAKDOWN¹

COUNTRY BREAKDOWN	%
United States	91.66
Canada	8.34

CURRENCY BREAKDOWN¹

CURRENCY BREAKDOWN	%
US Dollar	100.00

FUND IDENTIFIERS

SHARE CLASS*	INCEPTION DATE	CUSIP	BLOOMBERG	ISIN
A(Mdis)USD	06/01/1994	L9025R513	TEMDLRILX	LU0052767562
A(acc)USD	05/14/2001	L4058R662	TEMDLRALX	LU0128526901
B(Mdis)USD	07/01/1999	L90262384	TEMDLBILX	LU0098869075
C(acc)USD	09/09/2002	L4058S587	TEMDLCALX	LU0152908389
N(acc)USD	12/29/2000	L4058R456	TEMDLBXLX	LU0122614463

* (Mdis) - monthly distribution; (Qdis) - quarterly distribution; (Ydis) - yearly distribution; (acc) - accumulation

WHAT ARE THE RISKS

Because the Fund invests primarily in transferable securities and money market instruments issued or guaranteed by the governments of any nation worldwide and eligible securities of corporate issuers of any nation, it may experience high political risk. International securities risks include currency fluctuations and economic uncertainties. Interest rate movements may affect the Fund's share price and yield. The Fund may be subject to a variety of risks in addition to those described herein. Please consult the Prospectus for a full discussion of these risks. Investing in a concentrated, narrowly focused fund may entail greater risks than is normally associated with more widely diversified funds.

DISCLAIMERS

1. Portfolio Composition and Asset Allocation data as of July 31, 2012 (Negative currency positions, if any, may occur due to hedging, unsettled payables, and derivatives holdings).
 2. Investment Management Fee is a monthly fee equivalent to a percentage of the Fund's adjusted daily net assets received by the Investment Manager for each Class of Shares, except for the I shares classes. For a full description of all fees and charges that an investor may incur, including the initial sales charges and maintenance and company charges attributable to a class of shares of the Fund, please consult the current Prospectus of FTIF.
 3. The portfolio manager for the Fund reserves the right to withhold release of information with respect to holdings that would otherwise be included in a top 10 holdings list.
Copyright © 2012. Franklin Templeton Investments. All rights reserved. Investors should consider the fund's investment objective, risks, charges and expenses carefully before investing. The prospectus contains this and other information about the fund. Performance figures shown represent the aggregate total return for the period indicated assuming, where relevant, the reinvestment of dividends and distributions. The performance figures are shown net of all fees, but do not reflect the effect of any sales charges that might apply. Such sales charges would have the effect of reducing the performance returns shown. Due to rounding, the percentages shown may be within 0.1% tolerance of the true value. The "Ten Largest Holdings" represent the ten largest holdings in the Fund as of the date shown, and do not represent all of the securities purchased, sold or recommended for advisory clients. The reader should not assume that investment in the securities listed was or will be profitable. This report does not constitute or form part of any offer for shares of the Fund or an invitation to apply for such shares. Subscriptions for shares in the Fund can only be made on the basis of the Fund's most recent prospectus. The price of shares of the Fund and income there from can go down as well as up and you may not get back the full amount that you invested. **Past performance is no guarantee for future performance.** Fund holdings and characteristics are subject to change. Currency fluctuations will affect the value of overseas investments. No shares in this Fund may be offered or sold to citizens or residents of the United States of America. Current performance may be lower or higher than the performance data quoted. Please consult your professional advisor for current performance and before deciding to invest. To obtain a free prospectus or for questions relating to the information set forth above may be referred to Franklin Templeton Client Dealer Services at the address and number listed below. Investors should read the prospectus carefully before investing. In the U.S., this publication is made available to you for informational purposes only by Templeton/Franklin Investment Services, Inc. Tel: (800) 239-3894 (USA Toll-Free), (877) 389-0076 (Canada Toll-Free), and Fax: (727) 299-8736. **Investments are not FDIC insured; may lose value and are not bank guaranteed.**
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