



Summary of Investment Portfolio

REGIONAL WEIGHTINGS (%)*

North America	94.51
Europe	2.54
Australia & New Zealand	1.24
Latin America & Caribbean	0.27
Asia	0.04

ASSET CLASS WEIGHTINGS (%)

Canadian Corporate Bonds	36.36
Canadian Government Bonds	33.84
Foreign Corporate Bonds	24.17
Foreign Government Bonds	2.15
Preferred Stocks	1.91
Common Stocks	0.17
Short-term securities and all other assets, net	1.40

TOP 25 HOLDINGS (%)

Cash and cash equivalents**	3.43
Province of Manitoba, 4.60%, 3/5/2038	1.97
Province of Ontario, 2.85%, 6/2/2023	1.65
Province of Alberta, 2.20%, 6/1/2026	1.65
Province of Ontario, 5.60%, 6/2/2035	1.46
Province of Manitoba, 4.40%, 9/5/2025	1.28
Canada Housing Trust, Second Lien, 1.90%, 9/15/2026	1.27
Province of New Brunswick, 5.50%, 1/27/2034	1.18
Government of Canada, 4.00%, 6/1/2041	1.05
Ontario Electricity Financial Corp., Strip, 4/11/2031	1.03
CPPIB Capital Inc., Senior Note, 3.00%, 6/15/2028	1.02
Government of Canada, 2.75%, 12/1/2048	1.01
Wells Fargo & Co., Subordinated Note, 3.874%, 5/21/2025	1.00
OPB Finance Trust, Senior Bond, A, 3.89%, 7/4/2042	0.96
Province of New Brunswick, 4.55%, 3/26/2037	0.86
Province of Manitoba, 6.30%, 3/5/2031	0.86
South Coast British Columbia Transportation Authority, Senior Bond, 4.45%, 6/9/2044	0.85
Province of Manitoba, 3.75%, 9/5/2033	0.84
Province of Newfoundland, 3.30%, 10/17/2046	0.84
407 International Inc., Senior Secured Bond, 6.47%, 7/27/2029	0.82
Province of New Brunswick, 4.65%, 9/26/2035	0.78
OPB Finance Trust, Senior Note, 2.90%, 5/24/2023	0.76
BNSF Funding Trust I, Subordinated Bond, 6.613% to 12/15/05, Floating Rate Note thereafter, 12/15/2055	0.76
CIBC Capital Trust, Junior Subordinated Bond, 9.976% to 6/30/19, Floating Rate Note thereafter, 6/30/2108	0.75
Province of Saskatchewan, 6.40%, 9/5/2031	0.75

TOTAL NET ASSET VALUE: \$1,775,846,000

* Excluding short-term securities and all other assets, net.

** Cash and cash equivalents may include bonds that have a remaining term to maturity of 365 days or less that are issued by certain governments, supranational agencies or financial institutions and have a "designated rating" (as defined in Canadian securities law).

Above is an outline of the investments held in the Fund as a percentage of the Fund's net assets. Due to ongoing portfolio transactions, the investments and percentages may have changed by the time you purchase units of the Fund. The top 25 holdings are made available quarterly, 60 days after the quarter-end. To obtain a copy, please contact a member of our client services team at 1.800.387.0830 or visit www.franklintempleton.ca.