



AN UNCONSTRAINED APPROACH TO FIXED INCOME

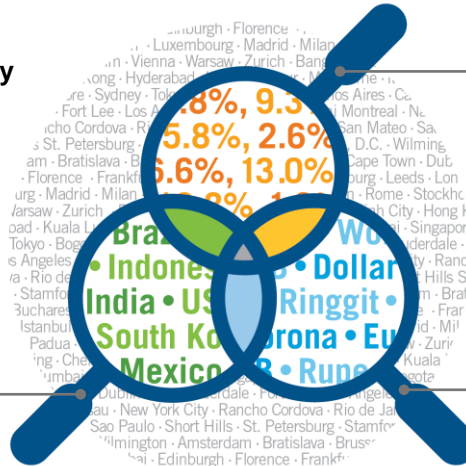
Templeton Global Bond Fund

Three Lenses = A New World of Fixed Income

Global government bonds¹: US\$66.32 trillion opportunity

Isolating Investment Ideas

Three independent sources of alpha: interest rate, currency and sovereign credit exposures, that are actively managed to maximize risk-adjusted returns.



Interest Rate Ideas

Each security selection considers 3 potential sources of return

Sovereign Credit Ideas

Currency Ideas

Flexible. Go Anywhere Mandate.

Diversified holdings² (As of September 30, 2020)

Country (% Market Value)		Currency (% Notional Exposure)		Credit Rating ³ (% Market Value)		Maturity (% Market Value)	
Japan	9.85	Japanese Yen	43.95	AAA	15.82	0 to 1 Year	67.78
Mexico	9.45	US Dollar	15.89	AA	9.13	1 to 2 Years	7.23
South Korea	9.13	Norwegian Krone	8.78	A	9.85	2 to 3 Years	6.54
Norway	8.78	Indonesian Rupiah	8.23	BBB	24.72	3 to 5 Years	12.89
Indonesia	8.23	Swiss Franc	6.77	BB	5.68	5 to 7 Years	2.70
Switzerland	6.77	Swedish Krona	6.64	B	2.16	7 to 10 Years	1.56
Brazil	5.68	Colombian Peso	3.34	CCC	2.78	Over 10 Years	1.30
India	3.71	Argentine Peso	2.78	N/A	0.66		
Colombia	3.34	Ghanaian Cedi New	2.16	Cash & Cash Equivalents	29.21		
Argentina	2.78	South Korean Won	0.43	Average (with cash)	A+		
Average Duration						1.14 Years	
Yield to Maturity⁴						1.23%	

Attractive Complement for Portfolios

Relatively low correlation to other asset classes⁵

3-Year Correlation with the Fund's Series F

FTSE Canada Universe Bond	-0.03
S&P 500 TR (CDN\$)	-0.12
MSCI World (CDN\$)	-0.08
S&P/TSX Composite TR	-0.18

1. Source: Bloomberg, as of December 2019, showing amount outstanding; All World Government Bonds are included, duplicate bonds are consolidated. 2. Includes short-term securities. Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change. 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). Portfolio breakdown percentages may not total 100% and may be negative due to rounding, use of any derivatives, unsettled trades or other factors. 3. Sources: Moody's, S&P and Fitch. Cash includes equivalents, which may be rated. The ACQ may be lower if cash and equivalents are excluded from the calculation. Derivatives are excluded from this breakdown. The definition of cash in this document may not match the definition of "cash and cash equivalents" listed in the fund facts or management reports of fund performance for the fund, which includes 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). As such, the cash amounts listed may differ. 4. Yield to Maturity ("YTM") also known as the 'Gross Redemption Yield' or 'Redemption Yield'. The rate of return anticipated on a bond if it is held until the maturity date. YTM is considered a long-term bond yield expressed as an annual rate. The calculation of YTM takes into account the current market price, par value, coupon interest rate and time to maturity. It is also assumed that all coupons are reinvested at the same rate. 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. YTM is gross of fees. 5. Source: Morningstar Research Inc.

An Unconstrained Approach to Fixed Income with Templeton Global Bond Fund

Providing Uncorrelated Returns During Market Downturns⁶

Equity Market Indexes	Benchmark		Templeton Global Bond Fund	
	Years with Negative Returns	Average Return in Negative Years	Average Return During Negative Benchmark Years	Correlation with Benchmark (15 Years)
S&P/TSX Composite Total Return Index (CAD)	5	-14.27%	11.49%	-0.23
S&P 500 Total Return Index (CAD)	4	-14.71%	9.19%	0.13
NASDAQ Composite Price Return (CAD)	4	-16.47%	7.63%	0.04
MSCI EAFE Total Return Index (CAD)	6	-11.29%	7.18%	0.22
MSCI EM Total Return Index (CAD)	4	-17.77%	12.54%	0.11

Templeton Global Bond Fund Return When...	Number of Years	Average Return
At least one of the 5 equity indexes declined	8	5.39%
At least two of the 5 equity indexes declined	6	7.18%
All 5 equity indexes declined	2	21.90%

Templeton Global Bond Fund

Series A, F, I, O	CDN\$	US\$	Series PA, PF	CDN\$	US\$
Series A Front	704	803	Series PA Front	5608	5611
Series A DSC	734	903	Series PA DSC	5610	5613
Series A Low Load	674	684	Series PA Low Load	5609	5612
Series F	257	258	Series PF	3727	3728
Series F ADM†	5020	5043	Series PF ADM†	5091	5114
Series O	259	260			

Templeton Global Bond Fund (Hedged)

Series A, F, I, O	CDN\$	Series PA, PF	CDN\$
Series A Front	3712	Series PA Front	5614
Series A DSC	3714	Series PA DSC	5616
Series A Low Load	3713	Series PA Low Load	5615
Series F	3715	Series PF	3808
Series F ADM†	5021	Series PF ADM†	5092
Series O	3717		

Series I and V closed to new investors as of November 22, 2016.

† "ADM" refers to the Investment Advisory Services Fee purchase option for series F, FT, PF, PF (Hedged) and PFT. Please see the simplified prospectus for further details.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus or fund facts document before investing. The indicated rates of return are historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

6. Sources: Franklin Templeton Investments and Morningstar Research Inc; as of December 31, 2019.

Series F data is based on calendar year performance since inception of Templeton Global Bond Fund – Series F (inception June 18, 2001).

Templeton Global Bond Fund Series F annualized returns as of September 30, 2020 – 1 Yr:-1.3%, 2Yrs:-0.2%, 3Yrs:-1.1%, 5Yrs:0.5%, 10Yrs:2.0%, 15Yrs:4.3%, St:4.5%.

Series F is available to investors participating in programs that do not require Franklin Templeton to incur distribution costs in the form of trailing commissions to dealers. As a consequence, the management fee on Series F is lower than on Series A.

[To learn about Templeton Global Bond Fund, contact your financial advisor or visit www.franklintempleton.ca.](http://www.franklintempleton.ca)



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