

**Fund Commentary**
**Performance Review**

- Global equities advanced during August as corporate earnings and economic data generally improved, central banks remained accommodative, and optimism about coronavirus vaccine candidates grew. The month began with a sharp rally in value stocks, though they were soon eclipsed by the growth and quality stocks that have dominated this protracted market cycle.
- For the month, the fund's A (Ydis) USD shares returned 4.40%, and its benchmark, the MSCI All Country World Index, returned 6.16%.

**ONE-MONTH KEY PERFORMANCE DRIVERS**

	Stocks	Sectors	Countries
<b>HELPED</b>	First Solar, Inc.	Financials (Stock Selection)	China (Stock Selection)
	Alibaba Group Holding Ltd.	Industrials (Stock Selection)	Denmark (Stock Selection)
	Freeport-McMoRan, Inc.	Consumer Staples (Stock Selection)	Taiwan (Lack of Exposure)
<b>HURT</b>	Samsung Electronics Co., Ltd.	Information Technology (Stock Selection)	Germany (Stock Selection)
	Wheaton Precious Metals Corp	Consumer Discretionary (Stock Selection)	United States (Underweight)
	Fresenius Medical Care AG & Co. KGaA	Health Care (Stock Selection)	South Korea (Stock Selection)

- The shares of South Korean semiconductor and consumer electronics manufacturer Samsung Electronics were weighed down by continued supply concerns in the DRAM (dynamic random-access memory) market, as well as general weakness in South Korea after coronavirus cases in the country surged the most since March. We believe Samsung stock has remained too cheap for a dominant, diversified and highly cash-generative large-cap technology company. We continue to anticipate an eventual upswing in the memory sector, demand growth and cost reductions in the smartphone division, and accruing benefits from Samsung's generous capital return programme.
- From the materials sector, shares of US miner Freeport-McMoRan—the world's largest copper producer and a major producer of gold—rallied as copper prices rose to the highest level in over two years and gold hit an all-time nominal high above US\$2,000 per ounce. We have maintained healthy exposure to the stock given relatively tight supply fundamentals in the copper industry and above-average production growth prospects at the firm's world-class mines.
- Fresenius Medical, a provider of kidney dialysis services and equipment, detracted from performance during the month. Fresenius is one of the cheapest non-pharmaceutical health care stocks in Europe, in our view, with good visibility into earnings acceleration over the next five years. We believe that changes in reimbursement for Medicare starting in 2021, coupled with the gradual transition to home dialysis, should fuel improved growth.

**Outlook & Strategy**

- Global equities delivered their best August in at least 30 years to cap a fifth consecutive monthly gain since the recovery from the coronavirus-related selloff in 2020's first quarter. Despite an early (and brief) value rebound, performance trends have become increasingly dominated by a small cadre of technology and e-commerce stocks, mostly based in the United States.
- Official monetary policy remains unwaveringly committed to sustaining the reflationary rally, with the total assets on the balance sheets of major central banks growing by about 33% year-over-year, the fastest growth since the initial policy response to the global financial crisis. Money supply growth has been surging as central banks flood the commercial banking system with liquidity and guarantee loans, while federal budget deficits are rising to levels never before seen during peacetime.
- Yet the recovery has remained extremely unbalanced, with many pundits referencing a "K-shaped" recovery in which capital-light technology companies and white collar employees able to work from home are benefitting while brick-and-mortar operations and lower-paid workers continue to suffer acutely. Such imbalances only add to pre-existing concerns about inequality, which are increasingly highlighted by civil unrest in America (and elsewhere).
- An upcoming US presidential election cycle could bring further risks to stability given the current political climate, while escalating geopolitical tensions between the United States and China appear to be sparking a new kind of cold war and technological arms race. Japan now faces the prospect of a new government after its longest-ever period of continuous leadership, while in Europe Brexit remains largely unresolved and Germany's leadership is uncertain given Angela Merkel's impending retirement. And, of course, the coronavirus pandemic looms large as scientists race to develop and deploy a vaccine before potential future waves of infection.
- Given the opposing forces of ultra-supportive policy stimulus on the one hand and economic and political instability on the other, we believe that well-diversified portfolios with complementary exposures and risk profiles can position us well for uncertainty. To us this means portfolios full of reasonably valued stocks with what we view as attractive growth and quality characteristics and competitive advantages that potentially can drive sustainable success over a long-term investment horizon.

## Fund Details

Inception Date	28/02/1991
Benchmark	MSCI All Country World Index

## Fund Description

The fund aims to achieve long-term capital appreciation by investing in equity and debt obligations of companies and governments of any nation throughout the world, including emerging markets. The fund invests principally in common stocks.

## Performance Data

Performance Net of Management Fees as at 31/08/2020 (Dividends Reinvested) (%)<sup>1</sup>

	1 Mth	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception
A (Ydis) USD	4.40	9.30	-7.38	3.32	-2.15	0.87	5.12	5.01
Net of Sales Charge - A (Ydis) USD	-0.82	3.83	-12.01	-1.84	-3.81	-0.15	4.58	4.83
A (acc) SGD	3.36	5.24	-6.37	1.23	-2.05	0.14	5.16	-0.13
Net of Sales Charge - A (acc) SGD	-1.81	-0.02	-11.06	-3.83	-3.71	-0.88	4.62	-0.52
MSCI All Country World Index USD	6.16	15.44	5.12	17.12	9.56	10.80	10.49	7.72
MSCI All Country World Index SGD	5.25	11.04	6.29	14.79	9.60	9.99	10.53	4.88

The Inception Date for the A (Ydis) USD share class and A (acc) SGD share class is 28/02/1991 and 25/10/2007 respectively.

## Investment Team

**Herbert J Arnett Jr.**  
Years with Firm 24  
Years Experience 26

**Peter Moeschter, CFA**  
Years with Firm 23  
Years Experience 28

**Dylan Ball**  
Years with Firm 13  
Years Experience 20

### 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 equity securities of companies around the world. Such securities have historically been subject to significant price movements that may occur suddenly due to market or company-specific factors. As a result, the performance of the Fund can fluctuate considerably over time. Other significant risks include: foreign currency risk, emerging markets risk, liquidity 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.

### Important Legal Information

Templeton Global Fund is a sub-fund of the Luxembourg-domiciled Franklin Templeton Investment Funds (FTIF).

**This document is for information only and does not constitute investment advice or a recommendation and was prepared without regard to the specific objectives, financial situation or needs of any particular person who may receive it.** Any research and analysis contained in this presentation has been procured by Franklin Templeton Investments for its own purposes and may be acted upon in that connection and, as such, is provided to you incidentally. Any views expressed are the views of the fund manager and do not constitute investment advice. The underlying assumptions and these views are subject to change. Franklin Templeton Investments accepts no liability whatsoever for any direct or indirect consequential loss arising from the use of any information, opinion or estimate herein. **The value of investments and the income from them can go down as well as up and you may not get back the full amount that you invested.**

Any prediction, projection or forecast on the economy, stock market, bond market or the economic trends of the markets is not necessarily indicative of the future or likely performance.

**Past performance or any prediction or forecast is not necessarily indicative of future performance of the Fund.** Subscriptions may only be made on the basis of the most recent Prospectus and Product Highlights Sheet which is available at Templeton Asset Management Ltd or our authorised distributors. Potential investor should read the details of the Prospectus and Product Highlights Sheet before deciding to subscribe for or purchase the Fund. This shall not be construed as the making of any offer or invitation to anyone in any jurisdiction in which such offer is not authorised or in which the person making such offer is not qualified to do so or to anyone to whom it is unlawful to make such an offer. In particular, this Fund is not available to U.S. Persons and Canadian residents.

**Investors may wish to seek advice from a financial adviser before making a commitment to invest in shares of the Fund. In the event an investor chooses not to seek advice from a financial adviser, he/she should consider whether the Fund is suitable for him/her.**

Copyright© 2020 Franklin Templeton. All rights reserved.

Issued by Templeton Asset Management Ltd. Registration No. (UEN) 199205211E

*CFA® and Chartered Financial Analyst® are trademarks owned by CFA Institute.*

MSCI makes no warranties and shall have no liability with respect to any MSCI data reproduced herein. No further redistribution or use is permitted. This report is not prepared or endorsed by MSCI.

Important data provider notices and terms available at [www.franklintempletondatasources.com](http://www.franklintempletondatasources.com).

1. Source for all information is Franklin Templeton Investments. Benchmark related data provided by FactSet. Fund performance computed in share class currency, on NAV-NAV basis and dividends reinvested. Net of Sales Charge figures are after 5% sales charge. Past performance is no guarantee of future results. Portfolio holdings are subject to change. Periods greater than one year are shown as average annual total returns. Other commissions, taxes and other relevant costs paid by investor are not included.



[www.franklintempleton.com.sg](http://www.franklintempleton.com.sg)

**For use by brokers/dealers or intended institutional investor recipients only and cannot be disseminated further.**