

Product Details¹

Fund Assets	\$704,823,303.89
Fund Inception Date	28/02/1991
Number of Issuers	37
Bloomberg	TEMLAAI LX
ISIN	LU0029865408
Base Currency	USD
Investment Style	Blend
Benchmark	MSCI EM Latin America Index
Morningstar Category™	Latin America Equity

Asset Allocation²

Percent of Total	%
Equity	98.02
Cash & Cash Equivalents	1.98
Fixed Income	0.00

Overall Morningstar Rating™³

Fund Description

The Fund aims to achieve long-term capital appreciation by investing primarily in equity securities of issuers incorporated or having their principal business activities in the Latin American region.

Performance Data
Performance Net of Management Fees as at 31/07/2020 (Dividends Reinvested) (%)⁴

	1 Mth	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception
A (Ydis) USD	9.73	26.50	-25.21	-20.33	-4.90	1.92	-4.68	6.02
Net of Sales Charge - A (Ydis) USD	4.24	20.17	-28.95	-24.32	-6.51	0.88	-5.17	5.84
A (acc) SGD	8.21	23.28	-23.58	-20.30	-4.46	1.96	-4.57	-4.01
Net of Sales Charge - A (acc) SGD	2.80	17.12	-27.40	-24.28	-6.08	0.92	-5.06	-4.40
MSCI EM Latin America Index USD	10.96	24.41	-28.00	-24.91	-6.13	0.90	-3.60	10.20
MSCI EM Latin America Index SGD	9.07	21.19	-26.58	-24.75	-5.81	0.94	-3.52	-3.25

Cumulative Performance (%)

	1 Mth	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception
A (Ydis) USD	9.73	26.50	-25.21	-20.33	-13.99	9.96	-38.07	458.62
Net of Sales Charge - A (Ydis) USD	4.24	20.17	-28.95	-24.32	-18.29	4.46	-41.17	430.69
A (acc) SGD	8.21	23.28	-23.58	-20.30	-12.80	10.22	-37.38	-40.70
Net of Sales Charge - A (acc) SGD	2.80	17.12	-27.40	-24.28	-17.16	4.71	-40.51	-43.67
MSCI EM Latin America Index USD	10.96	24.41	-28.00	-24.91	-17.30	4.56	-30.69	1,639.64
MSCI EM Latin America Index SGD	9.07	21.19	-26.58	-24.75	-16.44	4.79	-30.09	-34.43

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.

Portfolio Manager Insight
Performance Review
ONE-MONTH KEY PERFORMANCE DRIVERS

	Stocks	Sectors	Countries
HELPED	Lojas Americanas S.A.	Communication Services (Lack of Exposure)	Colombia (Lack of Exposure)
	Duratex S.A.	Consumer Discretionary (Stock Selection, Overweight)	—
	Localiza Rent A Car S.A.	Information Technology (Overweight)	—
HURT	Intercorp Financial Services Inc.	Financials (Stock Selection)	Peru (Overweight)
	Grupo Aeroportuario del Pacifico SAB de CV Class B	Industrials (Stock Selection)	Brazil (Stock Selection)
	Bolsa Mexicana de Valores SAB de CV Class A	Consumer Staples (Stock Selection)	Chile (Stock Selection)

1. All holdings are subject to change. Holdings of the same issuers have been combined.

- Peru-based banking, insurance, and wealth management company Intercorp Financial Services (IFS) fell. Investors dialled back their earnings outlook for IFS on expectations of lower margins and higher provisions amidst the pandemic. We believe the company's strong balance sheet should enable it to tide over the near-term challenges, and we expect it to resume longer-term growth in an underpenetrated market post the pandemic.
- Exchange operator Bolsa Mexicana de Valores (BMV) rose but trailed the regional market's advance. The Mexico-based company reported stronger second-quarter earnings as its trading, custody, and information services businesses grew. In our view, pandemic-related headlines and lower interest rates in Mexico could continue driving financial market activity, and we expect further growth across BMV's businesses.
- Meanwhile, Brazil-based retailer Lojas Americanas rallied. Investors eyed a potential acceleration in the company's growth after it sold shares to ramp up investments in its e-commerce business B2W and other digital initiatives. We think the fundraising exercise could help Lojas Americanas expand into new product segments and sales channels, which could boost its longer-term competitiveness in Brazil's retail industry.

Outlook & Strategy

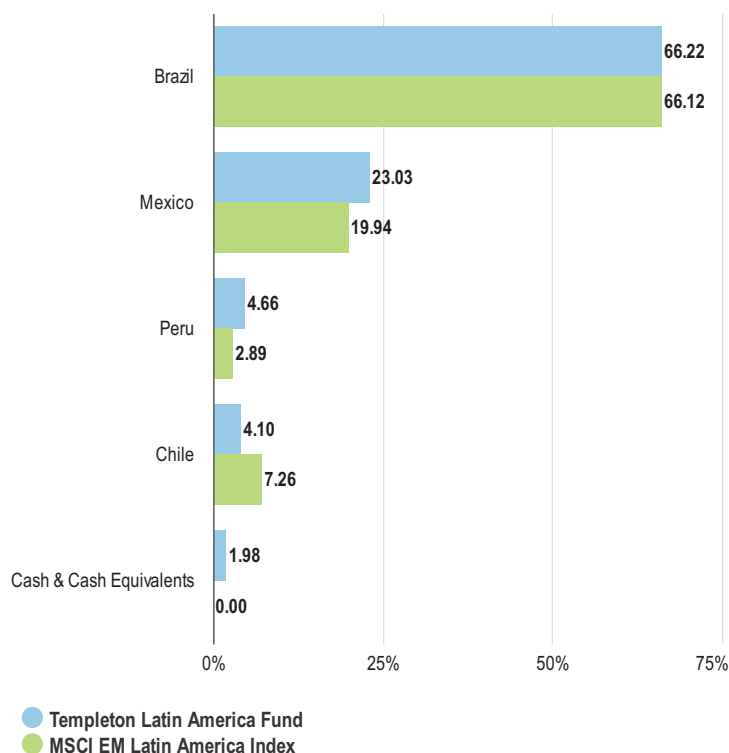
- Market sentiment has largely held out against the evolving trajectory of the pandemic. While some economies are struggling with new waves of COVID-19 transmission, others have seen containment and are gradually reopening. Consensus suggests that a potential vaccine is at least 12 to 18 months away and, in the interim, countries will need to start operating effectively again.
- A risk-on mood supported Latin American equities despite COVID-19's growing spread in the region. Investors focused on the continued lifting of social distancing measures, as well as firmer industrial metals prices amidst signs of stronger demand from China. We believe the timing of economic recoveries across Latin America is likely to depend on diverse factors, including the health of each country going into the crisis, and the range of fiscal and monetary policy tools available.
- In Brazil, economic reform efforts have continued despite the pandemic. The government recently sent a proposal aimed at simplifying the country's tax system to Congress for approval. In our view, how far the government progresses with its reform agenda could determine the pace of Brazil's economic revival.
- Mexico's fiscal response to the pandemic has trailed its regional peers. Nonetheless, the central bank has provided support through interest-rate cuts. Mexico's banking system was also well-capitalised going into the crisis. Meanwhile, Andean countries such as Peru have deployed strong policy stimulus to shore up their economies. As key exporters of commodities to China, their prospects could pick up with China's economic recovery.
- Our investment focus remains on companies with sustainable earnings power. We believe the pandemic could increasingly widen the gap between well-managed companies and their weaker peers, and we favour resilient and agile businesses that could emerge from the crisis stronger. Amongst the portfolio's holdings are financials and retail companies that appear well-positioned to gain market share during the pandemic.

Portfolio Characteristics^{5,6}

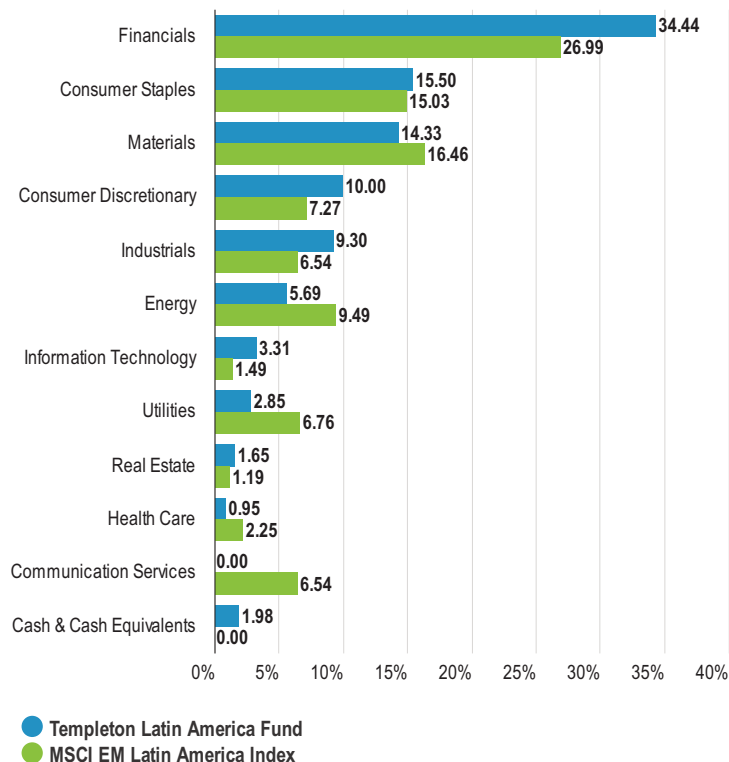
	Portfolio	MSCI EM Latin America Index
Price to Earnings (12-Month Trailing)	18.14x	17.66x
Price to Book	2.35x	1.87x
Price to Cash Flow	6.94x	8.57x
Market Capitalisation (Millions in USD)	20,044	12,632
Dividend Yield	3.10%	3.11%

Portfolio Diversification

Geographic Weightings vs. MSCI EM Latin America Index²
Percent of Total



Sector Weightings vs. MSCI EM Latin America Index²
Percent of Total



Top Ten Holdings⁷

Percent of Total

Top Holdings	Sector	Country	%
B3 SA - BRASIL BOLSA BALCAO	Diversified Financials	Brazil	8.16
LOJAS AMERICANAS SA	Retailing	Brazil	6.44
VALE SA	Materials	Brazil	5.89
PETROLEO BRASILEIRO SA	Energy	Brazil	5.69
BOLSA MEXICANA DE VALORES SAB DE CV	Diversified Financials	Mexico	5.47
GRUPO MEXICO SAB DE CV	Materials	Mexico	5.23
ITAUSA SA	Banks	Brazil	4.67
BANCO BRADESCO SA	Banks	Brazil	3.65
GRUPO FINANCIERO BANORTE SAB DE CV	Banks	Mexico	3.44
TOTVS SA	Software & Services	Brazil	3.31

Supplemental Performance Statistics

Supplemental Risk Statistics⁸

	3 Yrs	5 Yrs	10 Yrs	Since Inception
Standard Deviation (%)				
Templeton Latin America Fund	30.48	27.42	24.58	-
MSCI EM Latin America Index	30.29	28.66	25.79	28.41
Tracking Error (%)	4.11	4.67	4.54	-
Information Ratio⁹	0.30	0.22	-0.24	-
Beta	1.00	0.94	0.94	-
Sharpe Ratio				
Templeton Latin America Fund	-0.21	0.03	-0.21	-
MSCI EM Latin America Index	-0.26	-0.01	-0.16	0.27

8. Beta, Information Ratio and Tracking Error information are measured against the MSCI EM Latin America Index.

9. Information Ratio is a way to evaluate a manager's ability to outperform a benchmark in relation to the risk that manager is assuming, with risk defined as deviation from the benchmark. This measure is calculated by dividing the portfolio's excess return (portfolio return less the benchmark return) by the tracking error (derived by taking the standard deviation of the monthly differences between the portfolio return and the benchmark return over time).

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Investment Team

Portfolio Manager	Years with Firm	Years Experience
Gustavo Stenzel, CFA	22	22

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 located in or doing significant business in Latin America. Such emerging markets have historically been subject to significant price movements, frequently to a greater extent than equity markets globally. As a result, the performance of the Fund can fluctuate significantly over relatively short time periods. 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 Latin America Fund is a sub-fund of the Luxembourg-domiciled Franklin Templeton Investment Funds (FTIF).

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The indices include a greater number of securities than those held in the Fund.

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2. Percentage may not equal 100% due to rounding. All holdings are subject to change.

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5. The portfolio characteristics listed are based on the fund's underlying holdings, and do not necessarily reflect the fund's characteristics. Due to data limitations all equity holdings are assumed to be the primary equity issue (usually the ordinary or common shares) of each security's issuing company. This methodology may cause small differences between the portfolio's reported characteristics and the portfolio's actual characteristics. In practice, Franklin Templeton's portfolio managers invest in the class or type of security which they believe is most appropriate at the time of purchase. The market capitalisation figures for both the portfolio and the benchmark are at the security level, not aggregated up to the main issuer. Source: Factset. Price ratio calculations for weighted average use harmonic means. Any exceptions to this are noted. The Estimated 3-5 Year EPS Growth uses simple weighted average means. There can be no assurance that the Estimated 3-5 Year EPS Growth will be realised. All holdings are subject to change.

6. The dividend yield quoted here is the yield on securities within the portfolio and should not be used as an indication of the income received from this portfolio. **Past performance is not an indicator or a guarantee of future performance.**

7. Holdings of the same issuers have been combined. Top ten holdings information is historical and may not reflect current or future portfolio characteristics. All holdings are subject to change. The information provided is not a recommendation to purchase, sell, or hold any particular security. The securities identified do not represent the fund's entire holdings and in the aggregate may represent only a small percentage of such holdings. There is no assurance that securities purchased will remain in the fund, or that securities sold will not be repurchased. The portfolio manager reserves the right to withhold release of information with respect to holdings that would otherwise be included.

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