

UNAUDITED SEMI-ANNUAL REPORT

# FRANKLIN TEMPLETON OPPORTUNITIES FUNDS

Société d'investissement à capital variable

September 30, 2020



FRANKLIN  
TEMPLETON



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## UNAUDITED SEMI-ANNUAL REPORT

For the period ended September 30, 2020

This report shall not constitute an offer or a solicitation of an offer to buy shares of Franklin Templeton Opportunities Funds (the "Company"). Subscriptions are to be made on the basis of the current prospectus and its addendum as the case may be, where available the relevant Key Investor Information Documents ("KIIDs"), a copy of the latest available audited annual report and, if published thereafter, the latest unaudited semi-annual report.



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## General Information

As at September 30, 2020

### **société d'investissement à capital variable**

8A, rue Albert Borschette, L-1246 Luxembourg, Grand Duchy of Luxembourg

(Registered with the registre de commerce et des sociétés, Luxembourg, under number B 212 724)

### **BOARD OF DIRECTORS:**

#### **Chairman**

*William Jackson*

Director

FRANKLIN TEMPLETON INVESTMENT MANAGEMENT LIMITED

5 Morrison Street,

Edinburgh EH3 8BH, United Kingdom

#### **Directors**

*Michel Tulle*

General Manager and Conducting Officer

FRANKLIN TEMPLETON INTERNATIONAL SERVICES

S.à r.l., FRENCH BRANCH

20 rue de la Paix, F-75002 Paris, France

*Judith Mertesdorf-Perathoner*

Vice President, Global Fund Tax

FRANKLIN TEMPLETON INTERNATIONAL SERVICES

S.à r.l.

8A, rue Albert Borschette, L-1246 Luxembourg

Grand Duchy of Luxembourg

*Caroline Carroll*

Director

FRANKLIN TEMPLETON INVESTMENT MANAGEMENT LIMITED

Cannon Place, 78 Cannon Street, London EC4N 6HL

### **MANAGEMENT COMPANY:**

FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.à r.l.

8A, rue Albert Borschette, L-1246 Luxembourg

Grand Duchy of Luxembourg

### **REGISTERED OFFICE:**

8A, rue Albert Borschette, L-1246 Luxembourg

Grand Duchy of Luxembourg

### **PRINCIPAL DISTRIBUTOR:**

FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.à r.l.

8A, rue Albert Borschette, L-1246 Luxembourg

Grand Duchy of Luxembourg

### **INVESTMENT MANAGERS:**

FRANKLIN TEMPLETON INVESTMENT MANAGEMENT LIMITED

Cannon Place, 78 Cannon Street

London EC4N 6HL, United Kingdom

FRANKLIN TEMPLETON INVESTMENTS AUSTRALIA LIMITED

19/101 Collins St,

Melbourne VIC 3000

Australia

### **DEPOSITARY AND ADMINISTRATIVE AGENT:**

J.P. MORGAN BANK LUXEMBOURG S.A.

European Bank and Business Centre

6C Route de Trèves, L-2633 Senningerberg

Grand Duchy of Luxembourg

### **AUDITOR:**

PRICEWATERHOUSECOOPERS, Société coopérative

2, rue Gerhard Mercator, L-2182 Luxembourg

Grand Duchy of Luxembourg

### **LEGAL ADVISERS:**

ELVINGER HOSS PRUSSEN, société anonyme

2, place Winston Churchill, L-1340 Luxembourg

Grand Duchy of Luxembourg

# Report of the Investment Managers

## Six Months to September 30, 2020

Over the six-month period under review, European bond indices registered positive returns.

The second quarter of 2020 saw European bond indices performing steadily, amid a continuation of the lockdown measures imposed to combat the spread of the COVID-19 pandemic. The European Central Bank (ECB) decided at its end-of-April meeting not to expand its asset purchase programme, a sign that it was taking stock of the considerable measures launched in response to the COVID-19 crisis.

However, in May, the European Commission proposed a further €750 billion recovery package, including the issuance of new bonds, to help member states of the European Union (EU) combat the economic impact of the virus.

In June, ECB President Christine Lagarde warned that Europe's recovery would be "restrained". Nonetheless, the opening of economies appeared to be progressing well across Europe, with some forecasters anticipating an improvement in GDP growth in the second half of 2020. Macroeconomic data released towards the end of the quarter was also upbeat. June's purchasing managers' indices (PMIs) in Europe were above expectations, France moved out of contraction, and consumer confidence improved more than expected in both Italy and France. Against this backdrop, yields on benchmark German Bunds finished the second quarter a little higher, though still well in negative territory.

The solid, if unspectacular, performance of European bonds continued into the third quarter. The outlook for the eurozone was bolstered considerably in July when EU leaders finally reached an agreement on the €750 billion COVID-19 rescue plan that had been initially proposed in May.

August saw signs of recovery in the eurozone economy. Nonetheless, given lower oil prices and an appreciating euro, headline consumer inflation fell from 0.4% in July to -0.2% in August, the first time in four years that the eurozone had entered a period of deflation. This lower-than-anticipated figure put pressure on the ECB to boost support for the region's economies.

In September, the ECB stated that, like the US Federal Reserve in this previous month, it would consider allowing eurozone inflation to overshoot its target. The ECB also urged the EU to contemplate making its pandemic recovery fund permanent. In this environment, benchmark yields on German Bunds fell in July for the third month in a row, rebounded in August then decreased once more in September, ending the quarter marginally down and well within negative territory. Meanwhile, the yield on 10-year Italian bonds, a barometer of investors' appetite for funding peripheral European governments, fell to a record low towards the end of September.

Meanwhile, European corporate bonds rose considerably over the period under review, buoyed by investors' substantial appetite for risk for much of the period. High-yield and emerging market bonds also performed relatively strongly.

**THE INVESTMENT MANAGERS**

October 2020

The information stated in this report represents historical data and is not an indication of future results.

## Fund Performance

Percentage Change to September 30, 2020

	<b>Reference Share Class</b>	<b>Launch Date of Fund</b>	<b>1 Month %</b>	<b>3 Months %</b>	<b>6 Months %</b>	<b>1 Year %</b>	<b>Since Launch %</b>
Franklin Global Target Euro Income 2025 Fund	E1 (acc) EUR	17 Feb 20	(0.7)	3.2	9.9	–	(2.1)
Franklin Green Target Income 2024 Fund	A (acc) EUR	10 May 19	(1.1)	1.6	12.7	(2.6)	1.8
Franklin Multi Bond 2022 Fund	D2 (Ydis) EUR	2 Oct 17	(0.2)	1.6	9.4	(1.3)	3.5
Franklin Target Income 2024 Fund	A (acc) EUR	5 Apr 19	(1.2)	1.6	13.5	(1.4)	1.9
Franklin USD Diversified Bond Series I 2025 Fund	E (Acc) USD	16 Sep 20	–	–	–	–	(0.7)

<sup>1</sup>This Share class launched on September 16, 2020

The Fund Performance disclosed in this table is the performance of the reference share class in base currency of the Fund.

Where Class D2 distribution "D2 (Ydis)" Share is disclosed, the performance is calculated with all the income reinvested (total return).

Information on other share classes is available on request. This report shall not constitute an offer or a solicitation of an offer to buy shares. Subscriptions are to be made on the basis of the current prospectus, where available the relevant Key Investor Information Documents ("KIIDs"), a copy of the latest available audited annual report and, if published thereafter, the latest unaudited semi-annual report. The price of shares and income from them can go down as well as up and you may not get back the full amount that you invested. Past performance is no guarantee of future performance. Currency fluctuations may affect the value of investments.

Data source: Performance – Franklin Templeton and JPMorgan



## Statement of Net Assets

As at September 30, 2020

	Total	Franklin Global Target Euro Income 2025 Fund	Franklin Green Target Income 2024 Fund
	(EUR)	(EUR)	(EUR)
<b>ASSETS</b>			
Investments in securities at market value (note 2(b))	1,160,818,589	21,395,130	410,248,590
Cash at bank and at brokers	84,239,374	687,554	6,810,869
Amounts receivable on sale of investments	199,620	199,620	–
Amounts receivable on subscriptions	98,504	98,504	–
Interest and dividends receivable, net	15,750,865	183,027	5,601,534
Unrealised profit on forward currency exchange contracts (notes 2(c), 3)	11,370	–	11,370
Other receivables	102,800	1,083	24,439
<b>TOTAL ASSETS</b>	<b>1,261,221,122</b>	<b>22,564,918</b>	<b>422,696,802</b>
<b>LIABILITIES</b>			
Amounts payable on purchases of investments	10,529,858	300,690	3,047,500
Amounts payable on redemptions	380,920	–	183,203
Investment management fees payable (note 4)	222,053	4,275	84,674
Unrealised loss on forward currency exchange contracts (notes 2(c), 3)	956,167	–	459,820
Taxes and expense payable	784,207	18,844	233,174
<b>TOTAL LIABILITIES</b>	<b>12,873,205</b>	<b>323,809</b>	<b>4,008,371</b>
<b>TOTAL NET ASSETS</b>	<b>1,248,347,917</b>	<b>22,241,109</b>	<b>418,688,431</b>
<b>THREE YEAR ASSET SUMMARY</b>			
March 31, 2020	848,302,016	17,744,139	341,971,772
March 31, 2019	34,517,652	–	–
March 31, 2018	37,735,500	–	–

<sup>1</sup>This Fund was launched on September 16, 2020

## Statement of Net Assets

As at September 30, 2020

Franklin Multi Bond 2022 Fund	Franklin Target Income 2024 Fund	Franklin USD Diversified Bond Series I 2025 Fund <sup>1</sup>
(EUR)	(EUR)	(USD)
24,022,216	482,074,317	261,492,421
498,727	7,613,686	80,446,370
–	–	–
–	–	–
370,775	6,787,932	3,291,065
–	–	–
1,958	74,694	734
<b>24,893,676</b>	<b>496,550,629</b>	<b>345,230,590</b>
–	3,047,500	4,846,071
107,669	90,048	–
5,164	100,004	32,748
–	438,739	67,528
50,812	436,052	53,130
<b>163,645</b>	<b>4,112,343</b>	<b>4,999,477</b>
<b>24,730,031</b>	<b>492,438,286</b>	<b>340,231,113</b>
25,099,894	463,486,211	–
34,517,652	–	–
37,735,500	–	–

## Statement of Operations and Changes in Net Assets

For the period ended September 30, 2020

	Total	Franklin Global Target Euro Income 2025 Fund	Franklin Green Target Income 2024 Fund
	(EUR)	(EUR)	(EUR)
<b>NET ASSETS AT THE BEGINNING OF THE PERIOD</b>	<b>848,302,016</b>	<b>17,744,139</b>	<b>341,971,772</b>
<b>INCOME</b>			
Dividends (net of withholding taxes) (note 2(e))	1,326,329	–	–
Interest on bonds (net of withholding taxes) (note 2(e))	14,415,495	227,642	5,527,656
<b>TOTAL INCOME</b>	<b>15,741,824</b>	<b>227,642</b>	<b>5,527,656</b>
<b>EXPENSES</b>			
Investment management fees (note 4)	1,185,847	24,157	491,646
Administration and transfer agency fees	532,326	10,215	220,229
Subscription tax (note 7)	286,523	5,669	119,267
Custodian fees	42,994	–	15,667
Audit fees	28,032	4,361	8,881
Printing and publishing expenses	93,629	1,301	37,520
Bank charges	77,975	1,502	42,769
Maintenance and service charges	2,519,362	17,762	605,217
Other charges	133,366	2,464	52,703
<b>TOTAL EXPENSES</b>	<b>4,900,054</b>	<b>67,431</b>	<b>1,593,899</b>
Expense reimbursement (note 9)	(617,338)	(12,912)	(257,354)
<b>NET EXPENSES</b>	<b>4,282,716</b>	<b>54,519</b>	<b>1,336,545</b>
<b>NET PROFIT/(LOSS) FROM INVESTMENTS</b>	<b>11,459,116</b>	<b>173,123</b>	<b>4,191,115</b>
Net realised profit/(loss) on sale of investments	(9,467,796)	(292,768)	(3,882,306)
Net realised profit/(loss) on forward foreign exchange contracts	(2,140,832)	–	(1,018,174)
Net realised profit/(loss) on foreign exchange transactions	3,038,563	–	1,448,537
<b>NET REALISED PROFIT/(LOSS) FOR THE PERIOD</b>	<b>2,889,051</b>	<b>(119,645)</b>	<b>739,172</b>
Change in net unrealised appreciation/(depreciation) on:			
Investments	91,617,188	1,609,295	38,382,105
Forward foreign exchange contracts	2,419,304	–	1,114,135
<b>NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS</b>	<b>96,925,543</b>	<b>1,489,650</b>	<b>40,235,412</b>
<b>MOVEMENT OF CAPITAL</b>			
Issue of shares	351,664,068	12,906,115	46,248,115
Redemption of shares	(37,433,663)	(9,771,321)	(10,275,132)
Equalisation (note 12)	(362,062)	3,431	(508,264)
	<b>314,592,467</b>	<b>3,131,363</b>	<b>36,481,247</b>
Dividends paid/accumulated	(11,472,109)	(124,043)	–
<b>NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF MOVEMENT IN CAPITAL</b>	<b>303,120,358</b>	<b>3,007,320</b>	<b>36,481,247</b>
<b>NET ASSETS AT THE END OF THE PERIOD</b>	<b>1,248,347,917</b>	<b>22,241,109</b>	<b>418,688,431</b>
Portfolio Turnover Ratio (note 13)		(136.17)%	15.06%

<sup>1</sup>This Fund was launched on September 16, 2020

## Statement of Operations and Changes in Net Assets

For the period ended September 30, 2020

Franklin Multi Bond 2022 Fund	Franklin Target Income 2024 Fund	Franklin USD Diversified Bond Series I 2025 Fund <sup>1</sup>
(EUR)	(EUR)	(USD)
<b>25,099,894</b>	<b>463,486,211</b>	<b>-</b>
-	1,326,329	-
314,943	8,141,986	238,271
<b>314,943</b>	<b>9,468,315</b>	<b>238,271</b>
31,625	610,483	32,747
14,364	276,343	13,099
7,923	148,076	6,550
1,117	25,214	1,167
4,489	9,511	926
2,751	50,809	1,463
2,347	31,357	-
88,549	1,779,897	32,748
3,908	71,404	3,384
<b>157,073</b>	<b>3,003,094</b>	<b>92,084</b>
(4,308)	(336,844)	(6,940)
<b>152,765</b>	<b>2,666,250</b>	<b>85,144</b>
162,178	6,802,069	153,127
(191,132)	(5,101,590)	-
-	(1,122,658)	-
-	1,588,747	1,501
<b>(28,954)</b>	<b>2,166,568</b>	<b>154,628</b>
1,792,001	51,980,713	(2,516,628)
-	1,362,777	(67,528)
<b>1,763,047</b>	<b>55,510,058</b>	<b>(2,429,528)</b>
10,120	177,035	342,660,641
(1,607,674)	(15,779,536)	-
353	142,418	-
<b>(1,597,907)</b>	<b>(15,744,919)</b>	<b>342,660,641</b>
(535,003)	(10,813,064)	-
(2,132,910)	(26,557,983)	342,660,641
<b>24,730,031</b>	<b>492,438,286</b>	<b>340,231,113</b>
37.87%	48.13%	(25.87)%

## Statistical Information

	Total Expense Ratio September 30, 2020 (See note 14)	Shares Outstanding as at September 30, 2020	Net Asset Value per share as at September 30, 2020	Net Asset Value per share as at March 31, 2020	Net Asset Value per share as at March 31, 2019
<b>Franklin Global Target Euro Income 2025 Fund - EUR</b>					
E (Ydis) EUR <sup>1</sup>	1.30%	5,264.497	101.63	–	–
E1 (acc) EUR	0.65%	4,487.490	97.90	89.10	–
E1 (Ydis) EUR	0.65%	149,821.032	97.29	89.12	–
WE (acc) EUR	0.35%	1,090.750	98.08	89.13	–
WE (Ydis) EUR	0.35%	67,603.178	97.35	89.16	–
<b>Franklin Green Target Income 2024 Fund - EUR</b>					
A (acc) EUR	1.28%	158,333.705	101.81	90.35	–
A (Ydis) EUR	1.28%	251,547.808	101.21	89.82	–
A1 (acc) EUR	0.73%	300,026.222	102.59	90.80	–
A1 (acc) USD-H1 (hedged)	0.73%	1,442.000	106.18	93.39	–
A1 (Ydis) CZK-H1 (hedged)	0.73%	622,509.939	982.46	866.10	–
A1 (Ydis) EUR	0.73%	1,669,754.058	101.72	90.03	–
A1 (Ydis) USD-H1 (hedged)	0.73%	1,321.154	105.34	92.66	–
D1 (Ydis) EUR	1.28%	14,554.124	97.17	86.24	–
W (acc) EUR	0.33%	855,434.579	103.16	91.12	–
W (Ydis) EUR	0.33%	591,783.951	102.10	90.18	–
W (Ydis) USD-H1 (hedged)	0.35%	13,564.905	106.01	93.11	–
<b>Franklin Multi Bond 2022 Fund - EUR</b>					
D2 (Ydis) EUR	1.19%	250,982.706	98.53	91.89	100.38
<b>Franklin Target Income 2024 Fund - EUR</b>					
A (acc) EUR	1.30%	441,682.826	101.91	89.79	–
A (Ydis) EUR	1.30%	971,313.098	99.78	89.79	–
A1 (acc) EUR	0.75%	7,583.000	102.75	90.28	–
A1 (Ydis) CZK-H1 (hedged)	0.75%	595,476.770	1,014.39	911.40	–
A1 (Ydis) EUR	0.75%	1,177,681.554	100.00	90.28	–
D1 (Ydis) EUR	1.30%	1,764,400.383	99.78	89.79	–
W (acc) EUR	0.35%	104,666.702	103.36	90.63	–
W (Ydis) EUR	0.35%	200,279.424	100.16	90.63	–
<b>Franklin USD Diversified Bond Series I 2025 Fund – USD<sup>2</sup></b>					
E (Acc) USD	0.65%	193,216.425	99.31	–	–
E (QDis) SGD-H1 (hedged)	0.65%	231,039.929	99.31	–	–
E (QDis) USD	0.65%	3,063,463.952	99.31	–	–

<sup>1</sup>This share class was launched on July 9, 2020<sup>2</sup>This Fund was launched on September 16, 2020

# Notes to Financial Statements

## For the period ended September 30, 2020

### Note 1 - The Company

Franklin Templeton Opportunities Funds is a collective investment undertaking pursuant to Part I of the amended Luxembourg law of December 17, 2010 on undertakings for collective investment and qualifies as a société d'investissement à capital variable. The Company was incorporated in Luxembourg on February 15, 2017, for an undetermined period. At the date of this report, it offers shares in 5 sub-funds of the Company (the "Funds"). The Board of Directors of the Company may authorise the creation of additional Funds in future with different investment objectives.

The Company aims to provide investors with a choice of Funds investing in a wide range of transferable securities and other eligible assets on a worldwide basis and featuring a diverse array of investment objectives, including capital growth and income. The overall objective of the Company is to seek to minimise investment exposure through diversification and to provide Shareholders with the benefit of a portfolio managed by Franklin Templeton, according to its successful time-tested investment selection methods.

#### Fund launch

The Franklin USD Diversified Bond Series I 2025 Fund launched on September 16, 2020.

### Note 2 - Significant accounting policies

#### (a) General

The financial statements are prepared in accordance with the regulations of the Grand Duchy of Luxembourg relating to investment funds under the going concern basis of accounting.

#### (b) Investment in securities

Securities which are listed on a stock exchange or traded on any other organised market are valued at the last available price on such exchange or market which is normally the principal market for each security, and those securities dealt in on an over-the-counter market are valued in a manner as near as possible to that for quoted securities.

Securities not listed on any stock exchange nor traded on any organised market are valued at the last available price, or if such price is not representative of their fair value, they are valued prudently and in good faith on the basis of their reasonably foreseeable sales prices.

The Company has procedures to determine the fair value of individual securities and other assets for which market prices are not readily available or which may not be reliably priced. In such circumstances, the price of such investment shall be adjusted in accordance with the procedures adopted, as determined by or under the direction of the Board of Directors.

During the accounting period under review, gains and losses on investment securities sold were computed on the average cost basis.

During the accounting period under review, discounts and premiums were amortised to income over the period to maturity.

For mortgage-backed and other similar holdings with scheduled debt paydowns, the Company record accruals, based on their historical experience, for anticipated paydowns. Such accruals are recorded as a reduction or increase to the related holdings as disclosed on the Schedule of Investments and are included in the related unrealised appreciation/depreciation on investments shown on the "Statement of Operations and Changes in Net Assets".

Money market instruments are valued at market value.

#### (c) Forward foreign exchange contracts

Forward foreign exchange contracts are valued at the forward rate applicable at the "Statement of Net Assets" date for the remaining period, until maturity. Gains or losses resulting from forward foreign exchange contracts are recognised in the "Statement of Operations and Changes in Net Assets".

**Note 2 - Significant accounting policies** (continued)**(d) Foreign exchange transactions**

Transactions expressed in currencies other than each Fund's currency are translated into each Fund's currency at the exchange rates applicable on the transaction dates.

Assets and liabilities designated in currencies other than each Fund's currency are translated into each Fund's currency at the appropriate exchange rates ruling at the period-end. Gains and losses on foreign exchange transactions are recognised in the "Statement of Operations and Changes in Net Assets" in determining the results for the accounting period.

The reference currency of the Company as reflected in the financial statements is Euro. The principal exchange rates applied as at September 30, 2020, are as follows:

CZK	27.0620
SGD	1.5999
USD	1.1722

The list of the currency abbreviations is available in note 16.

**(e) Income**

Dividends are credited to income on their ex-dividend date. Interest income is accrued on a daily basis and includes the amortisation of premiums and accretion of discounts, where applicable.

**(f) Formation expenses**

Formation expenses associated with the launch of the new Funds are expensed as incurred.

**(g) Swing pricing**

A Fund may suffer dilution of the net asset value per share due to investors buying or selling shares in a Fund at a price that does not reflect dealing and other costs that arise when security trades are undertaken by the Investment Manager to accommodate cash inflows or outflows. In order to counter this impact, a swing pricing mechanism may be adopted to protect the interests of Shareholders of the Fund. If on any valuation date, the aggregate net capital activity of a Fund exceeds a pre-determined threshold, as determined and reviewed for each Fund on a periodic basis, the net asset value per share will be adjusted upwards or downwards to reflect net capital inflows or net capital outflows respectively.

The net capital inflows and net capital outflows will be determined based on the latest available information at the time of calculation of the net asset value per share. The swing pricing mechanism may be applied across all Funds. The extent of the price adjustment is set to reflect dealing and other costs. Such adjustment may vary from Fund to Fund and will not exceed 2% of the original net asset value per share.

In the case of a swing pricing event on the last day of the annual/semi-annual period, the net assets as disclosed in the "Statement of Net Assets", exclude the swing pricing adjustment, however, the net asset value per share as at year/semi-annual period end, as disclosed in the Statistical Information, would include the swing pricing adjustment.

During the period ended September 30, 2020, swing pricing adjustments affected the net asset value per share of the following Funds:

- Franklin Global Target Euro Income 2025 Fund,
- Franklin Green Target Income 2024 Fund,
- Franklin Multi Bond 2022 Fund,
- Franklin Target Income 2024 Fund.

**Note 2 - Significant accounting policies** (continued)

**(g) Swing pricing** (continued)

Due to the considerable impact and current exceptional market circumstances involved by the propagation of the Coronavirus (COVID-19), the board of directors of the Company have decided that, on a temporary basis and in order to protect the best interest of the shareholders, the swing factor applied to the Funds could be increased beyond the 2% limit. This may be necessary in order to ensure the increased costs of trading experienced at this time (due to the exceptional market conditions) are captured in the swing factor, in order to protect investors in the Funds.

Shareholders of Funds for which swing factor greater than 2% has been applied will be receiving specific shareholder notice informing them that this event has actually occurred.

**Note 3 - Forward foreign exchange contracts**

As at September 30, 2020, the Company had entered into the following outstanding contracts:

**Franklin Green Target Income 2024 Fund**

Purchases		Sales		Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for share class hedging:					
CZK	618,976,382	EUR	23,327,471	12-Oct-20	(459,325)
EUR	125,697	USD	147,962	13-Oct-20	(495)
USD	1,902,037	EUR	1,610,820	13-Oct-20	11,370
					<b>(448,450)</b>
The above contracts were opened with the below counterparties:					
Bank of America					(41,374)
Barclays					(39,644)
BNP Paribas					163
Citibank					(93,765)
Credit Suisse					26
Goldman Sachs					(82,672)
HSBC					(55,243)
J.P. Morgan					(60,798)
Morgan Stanley					(75,540)
UBS					397
					<b>(448,450)</b>

**Franklin Target Income 2024 Fund**

Purchases		Sales		Maturity Date	Unrealised profit/(loss) EUR
Forward foreign exchange contracts used for share class hedging:					
CZK	607,585,440	EUR	22,886,045	12-Oct-20	(438,739)
					<b>(438,739)</b>
The above contracts were opened with the below counterparties:					
Bank of America					(21,993)
Barclays					(9,390)
Goldman Sachs					(9,050)
HSBC					(10,846)
J.P. Morgan					(10,165)
Morgan Stanley					(377,295)
					<b>(438,739)</b>

**Franklin USD Diversified Bond Series I 2025 Fund**

Purchases		Sales		Maturity Date	Unrealised profit/(loss) USD
Forward foreign exchange contracts used for share class hedging:					
SGD	23,142,343	USD	17,023,000	15-Oct-20	(67,528)
					<b>(67,528)</b>



**Note 3 - Forward foreign exchange contracts** (continued)**Franklin USD Diversified Bond Series I 2025 Fund**

Purchases	Sales	Maturity	Unrealised USD
The above contracts were opened with the below counterparties:			
HSBC			(67,528)
			<b>(67,528)</b>

**Note 4 - Investment management fees**

Franklin Templeton International Services S.à r.l. (the "Management Company") receives from the Company a monthly fee equivalent to 0.25% of each Fund's average daily net assets during the accounting period. The Investment Managers, Franklin Templeton Investment Management Limited and Franklin Templeton Investments Australia Limited, will be remunerated by the Management Company out of the investment management fee received from the Company.

**Note 5 - Soft commission**

Consistent with obtaining best execution, brokerage commissions on portfolio transactions for the Company may be directed by the Investment Managers to broker-dealers in recognition of research services furnished by them as well as for services rendered in the execution of orders by such broker-dealers.

The receipt of investment research and information and related services permits the Investment Managers to supplement their own research and analysis and makes available to them the views and information of individuals and research staffs of other firms.

Such services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payment, which are paid for directly by the Investment Managers.

**Note 6 - Connected party transactions**

Certain directors of the Company are or may also be officers and/or directors of the Management Company. All transactions with connected parties were entered into in the ordinary course of business and under normal commercial terms.

The investment management fees that are accrued by the Company in respect of the Management Company are detailed in note 4 to the financial statements.

There are no connected brokers in Franklin Templeton, and no transactions were entered into with connected brokers during the period ended September 30, 2020.

During the period ended September 30, 2020, the Company accrued administration and transfer agency fees and shares' maintenance and service charges in respect of Franklin Templeton International Services S.à r.l. as Management Company and Principal Distributor of the Company.

**Note 7 - Taxation**

Under current tax laws and practice, the Company is not liable in the Grand Duchy of Luxembourg to any taxes on income or on realised or unrealised capital gains.

The Company is liable in the Grand Duchy of Luxembourg to a tax of 0.05% per annum, such tax being paid quarterly, and calculated on the net asset value of each Fund at the end of each relevant quarter. This tax is not applicable for the portion of the assets of a Fund invested in other undertakings for collective investment that have already been subject to such tax.

Investment income received or capital gains realised by the Company may be subject to tax in the countries of origin. All liabilities in respect of taxes payable on unrealised capital gains on investments are provided for as soon as there is a reasonable certainty that a liability will crystallise.

No stamp duty or other tax is payable in the Grand Duchy of Luxembourg on the issue of shares in the Company.

**Note 7 - Taxation** (continued)

The Company is registered for Value Added Tax in the Grand Duchy of Luxembourg and subject to account for Value Added Tax in accordance with current law.

**Note 8 - Share classes**

Class A shares: are offered at the applicable net asset value, plus an entry charge of up to 1.50% of the total amount invested varying per asset class. In addition, a maintenance charge of up to 0.95% per annum of the applicable average net asset value is deducted and paid to the Principal Distributor. This charge is accrued daily and is deducted and paid monthly to the Principal Distributor.

Class A1 shares: are offered at the applicable net asset value, plus an entry charge of up to 1.50% of the total amount invested varying per asset class. In addition, a maintenance charge of 0.40% per annum of the applicable average net asset value is deducted and paid to the Principal Distributor. This charge is accrued daily and is deducted and paid monthly to the Principal Distributor.

Class D1 shares: are offered at the applicable net asset value. A maintenance charge of 0.75% per annum of the applicable average net asset value and a servicing charge of 0.20% per annum of the applicable average net asset value are applied. This charge is accrued daily and is deducted and paid monthly to the Principal Distributor. A contingent deferred sales charge of up to 1%, retained by the Principal Distributor, applies to redemptions within five years of purchase.

Class D2 shares: are offered at the applicable net asset value. A maintenance charge of 0.10% per annum of the applicable average net asset value and a servicing charge of 0.60% per annum of the applicable average net asset value are applied. This charge is accrued daily and is deducted and paid monthly to the Principal Distributor. A contingent deferred sales charge of up to 3%, retained by the Principal Distributor, applies to redemptions within five years of purchase.

Class E Shares: are offered at the applicable net asset value, plus an entry charge of up to 1.50% of the total amount invested varying per asset class. In addition, a maintenance charge of 0.95% per annum of the applicable average net asset value is deducted and paid to the Principal Distributor. This charge is accrued daily and is deducted and paid monthly to the Principal Distributor. An exit charge of up to 1% applies to redemptions within five years of purchase.

Class E1 Shares: are offered at the applicable net asset value, plus an entry charge of up to 1.50% of the total amount invested varying per asset class. In addition, a maintenance charge of 0.30% per annum of the applicable average net asset value is deducted and paid to the Principal Distributor. This charge is accrued daily and is deducted and paid monthly to the Principal Distributor. An exit charge of up to 1% applies to redemptions within five years of purchase.

Class W shares: are offered at the applicable net asset value and are not subject to a contingent deferred sales charge nor any maintenance or servicing charge. Intermediaries or distributors selling Class W Shares may apply their own selling charges. Class W shares may be offered in certain limited circumstances as more fully described in the current prospectus of the Company.

Class WE shares: are offered at the applicable net asset value and are not subject to a contingent deferred sales charge nor any maintenance or servicing charge. Intermediaries or distributors selling Class WE Shares may apply their own selling charges. Class WE shares may be offered in certain limited circumstances as more fully described in the current prospectus of the Company. An exit charge of up to 1% may be applied to redemptions.

Distributing shares: share classes distribute annually (Ydis) or quarterly (Qdis).

Accumulating shares (acc): do not distribute any dividends but the income attributable is reflected in the increased value of the shares. All other terms and conditions are the same as those which apply to distributing share classes.

Hedged share classes: in order to reduce exchange rate fluctuations and return fluctuations, the Company offers H1 classes. The base currency exposure of the hedged share class is hedged into a specified alternative currency.

**Note 9 - Expenses reimbursement**

On a daily basis, the level of expenses is calculated and compared to the cap and where the level of expenses is higher than the cap, this difference is booked as a decrease of expense (the “waiver fees”). On a monthly basis the waiver fees are deducted from the fees received by Franklin Templeton International Services S.à r.l.

The amount of waiver fees is disclosed as “Expenses reimbursement” in the “Statement of Operations and Changes in Net Assets”.

**Note 10 - Statement of changes in the investment portfolio**

A list, specifying for each Fund total purchases and sales transacted during the period under review, may be obtained, upon request, at the registered office of the Company.

**Note 11 - Transaction costs**

Transaction costs are costs incurred to acquire and dispose of financial assets or liabilities. They include fees and commissions paid to agents, brokers and dealers. During the period ended September 30, 2020, the Funds only held debt securities for which transaction costs are not separately identifiable from the purchase price of the security and therefore cannot be disclosed separately.

**Note 12 - Equalisation**

The Funds use an accounting practice known as equalisation, by which a portion of the proceeds from issue and costs of redemption of shares, equivalent on a per share basis to the amount of undistributed investment income on the date of the transaction, is credited or charged to undistributed income which is disclosed as equalisation in the “Statement of Operations and Changes in Net Assets”. As a result, undistributed investment income per share is unaffected by issue or redemptions of shares.

**Note 13 - Portfolio Turnover Ratio**

The portfolio turnover ratio, expressed as a percentage, is equal to the total of purchases and sales of securities netted against the total value of subscriptions and redemptions, over average net assets of the Fund for a year. It is effectively a measure of how frequently a Fund buys or sells securities.

**Note 14 - Total Expense Ratio**

The Total Expense Ratio (“TER”), expressed as a percentage, represents how the total annualised expenses of each share class relate to the average net assets of each share class for the period ended September 30, 2020. The total expenses comprise the investment management fees, the administration and transfer agency fees, the custodian fees and other expenses as summarised in the “Statement of Operations and Changes in Net Assets”.

**Note 15 - Audited annual reports and unaudited semi-annual reports**

The audited annual reports and unaudited semi-annual reports are available on the following Franklin Templeton website, [www.franklintempleton.lu](http://www.franklintempleton.lu), or may be obtained, free of charge, on request at the registered office of the Company. They are only distributed to registered Shareholders in those countries where local regulation so requires.

**Note 16 - Abbreviations****Countries**

ARE	United Arab Emirates	EGY	Egypt	ISL	Iceland	NOR	Norway
AUD	Australia	ESP	Spain	ISR	Israel	NZL	New Zealand
AUT	Austria	FIN	Finland	ITA	Italy	PRT	Portugal
BEL	Belgium	FRA	France	JPN	Japan	ROU	Romania
CAN	Canada	GBR	United Kingdom	KAZ	Kazakhstan	SP	Supranational
CHE	Switzerland	GRC	Greece	KOR	South Korea	SWE	Sweden
CHN	China	HKG	Hong Kong	LUX	Luxembourg	TUN	Tunisia
CZE	Czech Republic	IDN	Indonesia	MEX	Mexico	TUR	Turkey

**Note 16 - Abbreviations** (continued)

DEU	Germany	IND	India	MKD	Macedonia	USA	United States
DNK	Denmark	IRL	Ireland	NLD	Netherlands	ZAF	South Africa

**Currency**

CZK	Czech Krona	EUR	Euro	SGD	Singapore Dollar	USD	US Dollar
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**Note 17 - Subsequent events**

There have been no subsequent events since the period end.

## Schedule of Investments, September 30, 2020

## Franklin Global Target Euro Income 2025 Fund

(Currency - EUR)

Number of shares or face value	Description	Country code	Trading currency	Market value	% of net assets
	TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING				
	<b>BONDS</b>				
	<b>Corporate Bonds</b>				
400,000	Crown European Holdings SA, Reg. S 3.375% 05/15/2025	USA	EUR	423,819	1.90
400,000	WMG Acquisition Corp., Reg. S 3.625% 10/15/2026	USA	EUR	409,570	1.84
400,000	Darling Global Finance BV, Reg. S 3.625% 05/15/2026	USA	EUR	408,356	1.84
400,000	IQVIA, Inc., Reg. S 3.25% 03/15/2025	USA	EUR	403,851	1.82
400,000	Axalta Coating Systems Dutch Holding B BV, Reg. S 3.75% 01/15/2025	USA	EUR	402,055	1.81
400,000	Goodyear Europe BV, Reg. S 3.75% 12/15/2023	USA	EUR	394,568	1.77
400,000	Teva Pharmaceutical Finance Netherlands II BV 4.5% 03/01/2025	ISR	EUR	390,290	1.76
400,000	Lincoln Financing SARL, Reg. S 3.625% 04/01/2024	NLD	EUR	386,161	1.74
382,979	Diocle Spa, Reg. S, FRN 3.875% 06/30/2026	ITA	EUR	377,979	1.70
350,000	Catalent Pharma Solutions, Inc., Reg. S 2.375% 03/01/2028	USA	EUR	337,531	1.52
300,000	Netflix, Inc. 3.625% 05/15/2027	USA	EUR	325,080	1.46
300,000	Sealed Air Corp., Reg. S 4.5% 09/15/2023	USA	EUR	325,004	1.46
300,000	Tesco Corporate Treasury Services plc, Reg. S 2.5% 07/01/2024	GBR	EUR	324,283	1.46
300,000	HeidelbergCement Finance Luxembourg SA, Reg. S 2.5% 10/09/2024	DEU	EUR	323,250	1.45
300,000	Smurfit Kappa Acquisitions ULC, Reg. S 2.75% 02/01/2025	IRL	EUR	317,432	1.43
300,000	Naturgy Finance BV, Reg. S 1.25% 01/15/2026	ESP	EUR	316,372	1.42
300,000	MPT Operating Partnership LP, REIT 3.325% 03/24/2025	USA	EUR	314,386	1.41
300,000	SoftBank Group Corp., Reg. S 4% 04/20/2023	JPN	EUR	311,337	1.40
300,000	Orano SA, Reg. S 3.375% 04/23/2026	FRA	EUR	310,396	1.40
300,000	Telecom Italia SpA, Reg. S 2.75% 04/15/2025	ITA	EUR	309,793	1.39
300,000	Avantor Funding, Inc., Reg. S 3.875% 07/15/2028	USA	EUR	308,123	1.38
300,000	Equinix, Inc., REIT 2.875% 10/01/2025	USA	EUR	304,660	1.37
300,000	LKQ European Holdings BV, Reg. S 3.625% 04/01/2026	USA	EUR	304,632	1.37
300,000	El Corte Ingles SA, Reg. S 3.625% 03/15/2024	ESP	EUR	303,573	1.37
300,000	Cemex SAB de CV, Reg. S 3.125% 03/19/2026	MEX	EUR	303,112	1.36
300,000	Colfax Corp., Reg. S 3.25% 05/15/2025	USA	EUR	301,830	1.36
300,000	Kraft Heinz Foods Co., Reg. S 1.5% 05/24/2024	USA	EUR	301,545	1.36
300,000	SPCM SA, Reg. S 2% 02/01/2026	FRA	EUR	300,072	1.35
300,000	Viridian Group FinanceCo plc, Reg. S 4% 09/15/2025	GBR	EUR	299,769	1.35
300,000	Faurecia SE, Reg. S 3.125% 06/15/2026	FRA	EUR	298,710	1.34
311,000	Standard Industries, Inc., Reg. S 2.25% 11/21/2026	USA	EUR	298,446	1.34
300,000	Grifols SA, Reg. S 1.625% 02/15/2025	ESP	EUR	297,048	1.34
300,000	Nexi SpA, Reg. S 1.75% 10/31/2024	ITA	EUR	296,916	1.33
300,000	ArcelorMittal SA, Reg. S 1.75% 11/19/2025	LUX	EUR	296,743	1.34
300,000	Trivium Packaging Finance BV, Reg. S, FRN 3.75% 08/15/2026	NLD	EUR	295,717	1.33
300,000	Banjay Entertainment SASU, Reg. S 3.5% 03/01/2025	FRA	EUR	293,650	1.32
300,000	Nidda Healthcare Holding GmbH, Reg. S 3.5% 09/30/2024	DEU	EUR	293,535	1.32
300,000	INEOS Finance plc, Reg. S 2.875% 05/01/2026	LUX	EUR	289,804	1.30
300,000	Berry Global, Inc., Reg. S 1% 01/15/2025	USA	EUR	289,168	1.30
300,000	Techem Verwaltungsgesellschaft 675 mbH, Reg. S 2% 07/15/2025	DEU	EUR	287,250	1.29
300,000	Matterhorn Telecom SA, Reg. S 3.125% 09/15/2026	LUX	EUR	287,089	1.29
300,000	Summit Properties Ltd., Reg. S 2% 01/31/2025	DEU	EUR	285,927	1.29
300,000	Loxam SAS, Reg. S 3.25% 01/14/2025	FRA	EUR	285,687	1.28
300,000	United Group BV, Reg. S 3.125% 02/15/2026	NLD	EUR	283,536	1.28
300,000	International Design Group SpA, Reg. S, FRN 6% 11/15/2025	ITA	EUR	279,000	1.25
300,000	Teollisuuden Voima OYJ, Reg. S 1.125% 03/09/2026	FIN	EUR	276,759	1.24
300,000	EC Finance plc, Reg. S 2.375% 11/15/2022	GBR	EUR	276,600	1.24
200,000	Syngenta Finance NV, Reg. S 3.375% 04/16/2026	CHE	EUR	215,217	0.97
200,000	Abertis Infraestructuras SA, Reg. S 2.5% 02/27/2025	ESP	EUR	214,340	0.96
200,000	Altice France SA, Reg. S 5.875% 02/01/2027	FRA	EUR	211,952	0.95
200,000	Nokia OYJ, Reg. S 2.375% 05/15/2025	FIN	EUR	208,910	0.94
200,000	Fastighets AB Balder, Reg. S 1.875% 03/14/2025	SWE	EUR	205,680	0.92
200,000	Phoenix PIB Dutch Finance BV, Reg. S 2.375% 08/05/2025	DEU	EUR	201,980	0.91
200,000	Unilabs Subholding AB, Reg. S 5.75% 05/15/2025	SWE	EUR	201,857	0.91
200,000	Maxeda DIY Holding BV, Reg. S 5.875% 10/01/2026	NLD	EUR	200,400	0.90
200,000	Encore Capital Group, Inc., Reg. S 4.875% 10/15/2025	USA	EUR	200,166	0.90
200,000	Victoria plc, Reg. S 5.25% 07/15/2024	GBR	EUR	199,879	0.90
200,000	Peach Property Finance GmbH, Reg. S 3.5% 02/15/2023	DEU	EUR	199,343	0.90
200,000	Royal Mail plc, Reg. S 1.25% 10/08/2026	GBR	EUR	199,333	0.89

**Franklin Global Target Euro Income 2025 Fund** (continued)

(Currency - EUR)

Number of shares or face value	Description	Country code	Trading currency	Market value	% of net assets
200,000	ProGroup AG, Reg. S 3% 03/31/2026	DEU	EUR	198,898	0.89
200,000	OI European Group BV, Reg. S 2.875% 02/15/2025	USA	EUR	197,549	0.89
200,000	Rossini Sarl, Reg. S, FRN 3.875% 10/30/2025	ITA	EUR	197,090	0.89
200,000	ADLER Real Estate AG, Reg. S 3% 04/27/2026	DEU	EUR	197,020	0.89
200,000	NE Property BV, Reg. S 1.75% 11/23/2024	ROU	EUR	196,597	0.88
200,000	PPF Telecom Group BV, Reg. S 2.125% 01/31/2025	NLD	EUR	195,750	0.88
200,000	Ardagh Packaging Finance plc, Reg. S 2.125% 08/15/2026	USA	EUR	194,971	0.88
200,000	ADLER Real Estate AG, Reg. S 2.125% 02/06/2024	DEU	EUR	192,808	0.87
200,000	Energo-Pro A/S, Reg. S 4.5% 05/04/2024	CZE	EUR	191,847	0.86
200,000	Limacorporate SpA, Reg. S, FRN 3.75% 08/15/2023	ITA	EUR	191,500	0.86
200,000	Altice France SA, Reg. S 2.125% 02/15/2025	FRA	EUR	189,250	0.85
180,000	Ziggo BV, Reg. S 4.25% 01/15/2027	NLD	EUR	187,659	0.84
200,000	DEMIRE Deutsche Mittelstand Real Estate AG, Reg. S 1.875% 10/15/2024	DEU	EUR	185,210	0.83
200,000	Frigoglass Finance BV, Reg. S 6.875% 02/12/2025	GRC	EUR	134,985	0.61
100,000	Auchan Holding SA, Reg. S 2.875% 01/29/2026	FRA	EUR	105,648	0.48
100,000	Netflix, Inc., Reg. S 3% 06/15/2025	USA	EUR	104,387	0.47
100,000	Telecom Italia SpA, Reg. S 2.875% 01/28/2026	ITA	EUR	103,462	0.47
100,000	CEMEX Finance LLC, Reg. S 4.625% 06/15/2024	MEX	EUR	102,337	0.46
100,000	Cogent Communications Group, Inc., Reg. S 4.375% 06/30/2024	USA	EUR	101,974	0.46
100,000	ADO Properties SA, Reg. S 3.25% 08/05/2025	DEU	EUR	101,257	0.45
100,000	OCI NV, Reg. S 3.125% 11/01/2024	NLD	EUR	99,744	0.45
100,000	SoftBank Group Corp., Reg. S 3.125% 09/19/2025	JPN	EUR	99,626	0.45
100,000	eG Global Finance plc, Reg. S 4.375% 02/07/2025	GBR	EUR	95,125	0.43
100,000	Q-Park Holding I BV, Reg. S 1.5% 03/01/2025	NLD	EUR	91,619	0.41
100,000	Q-Park Holding I BV, Reg. S 2% 03/01/2027	NLD	EUR	89,700	0.40
37,600	LSF10 Wolverine Investments SCA, Reg. S 5% 03/15/2024	DNK	EUR	37,647	0.17
	<b>TOTAL Bonds</b>			<u>21,293,131</u>	<u>95.74</u>
	<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING</b>			21,293,131	95.74
	TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET				
	<b>BONDS</b>				
	<b>Corporate Bonds</b>				
100,000	Lorca Telecom Bondco SAU 4% 09/18/2027	ESP	EUR	101,999	0.46
	<b>TOTAL Bonds</b>			<u>101,999</u>	<u>0.46</u>
	<b>TOTAL TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET</b>			101,999	0.46
	<b>TOTAL INVESTMENTS</b>			<u><b>21,395,130</b></u>	<u><b>96.20</b></u>

## Schedule of Investments, September 30, 2020

## Franklin Green Target Income 2024 Fund

(Currency - EUR)

Number of shares or face value	Description	Country code	Trading currency	Market value	% of net assets
	TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING				
	<b>BONDS</b>				
	<b>Corporate Bonds</b>				
6,000,000	NN Group NV, Reg. S, FRN 4.625% 04/08/2044	NLD	EUR	6,665,809	1.59
6,000,000	HBOS plc, FRN 4.5% 03/18/2030	GBR	EUR	6,637,632	1.59
6,400,000	Cooperatieve Rabobank UA, Reg. S, FRN 4.625% Perpetual	NLD	EUR	6,596,026	1.58
6,000,000	Erste Group Bank AG, Reg. S, FRN 6.5% Perpetual	AUT	EUR	6,462,336	1.54
6,000,000	WMG Acquisition Corp., Reg. S 3.625% 10/15/2026	USA	EUR	6,143,550	1.47
5,500,000	Credit Agricole Assurances SA, Reg. S, FRN 4.25% Perpetual	FRA	EUR	5,990,243	1.43
6,000,000	Barclays plc, Reg. S, FRN 2% 02/07/2028	GBR	EUR	5,963,760	1.42
6,000,000	Summit Properties Ltd., Reg. S 2% 01/31/2025	DEU	EUR	5,718,534	1.36
5,300,000	Arkema SA, Reg. S, FRN 2.75% Perpetual	FRA	EUR	5,407,325	1.29
5,100,000	Bankia SA, Reg. S, FRN 3.75% 02/15/2029	ESP	EUR	5,402,364	1.29
5,400,000	Banco Bilbao Vizcaya Argentaria SA, Reg. S, FRN 6% Perpetual	ESP	EUR	5,388,012	1.29
4,650,000	ASR Nederland NV, Reg. S, FRN 5.125% 09/29/2045	NLD	EUR	5,365,923	1.28
4,700,000	Assicurazioni Generali SpA, Reg. S, FRN 4.596% Perpetual	ITA	EUR	5,033,310	1.20
4,500,000	Telefonica Europe BV, Reg. S, FRN 5.875% Perpetual	ESP	EUR	4,964,917	1.19
5,000,000	Liberty Mutual Group, Inc., Reg. S, FRN 3.625% 05/23/2059	USA	EUR	4,958,500	1.18
5,000,000	ADLER Real Estate AG, Reg. S 3% 04/27/2026	DEU	EUR	4,925,510	1.18
4,800,000	BAWAG Group AG, Reg. S, FRN 2.375% 03/26/2029	AUT	EUR	4,918,594	1.18
5,000,000	NE Property BV, Reg. S 1.75% 11/23/2024	ROU	EUR	4,914,930	1.18
5,000,000	Standard Industries, Inc., Reg. S 2.25% 11/21/2026	USA	EUR	4,798,165	1.14
4,500,000	Credit Mutuel Arkea SA, Reg. S, FRN 1.875% 10/25/2029	FRA	EUR	4,568,287	1.09
4,500,000	Royal Mail plc, Reg. S 1.25% 10/08/2026	GBR	EUR	4,484,983	1.07
4,000,000	AXA SA, Reg. S, FRN 3.875% Perpetual	FRA	EUR	4,424,272	1.06
4,500,000	Unicaja Banco SA, Reg. S, FRN 2.875% 11/13/2029	ESP	EUR	4,314,375	1.03
4,000,000	Unione di Banche Italiane SpA, Reg. S, FRN 4.375% 07/12/2029	ITA	EUR	4,278,944	1.02
4,000,000	HSBC Holdings plc, Reg. S, FRN 6% Perpetual	GBR	EUR	4,225,760	1.01
4,000,000	Nokia OYJ, Reg. S 2.375% 05/15/2025	FIN	EUR	4,178,200	1.00
4,000,000	Netflix, Inc., Reg. S 3% 06/15/2025	USA	EUR	4,175,500	1.00
4,100,000	ABN AMRO Bank NV, Reg. S, FRN 4.375% Perpetual	NLD	EUR	4,101,091	0.98
4,000,000	Nationwide Building Society, Reg. S, FRN 2% 07/25/2029	GBR	EUR	4,094,860	0.98
4,000,000	Vodafone Group plc, Reg. S, FRN 3.1% 01/03/2079	GBR	EUR	4,076,412	0.97
4,000,000	SPCM SA, Reg. S 2% 02/01/2026	FRA	EUR	4,000,968	0.95
4,000,000	KBC Group NV, Reg. S, FRN 4.25% Perpetual	BEL	EUR	3,925,900	0.93
3,900,000	Faurecia SE, Reg. S 3.125% 06/15/2026	FRA	EUR	3,883,230	0.93
3,500,000	EDP - Energias de Portugal SA, Reg. S, FRN 4.496% 04/30/2079	PRT	EUR	3,786,542	0.90
4,000,000	Arrow Global Finance plc, Reg. S, FRN 2.875% 04/01/2025	GBR	EUR	3,755,240	0.90
3,500,000	MPT Operating Partnership LP, REIT 3.325% 03/24/2025	USA	EUR	3,667,835	0.88
3,800,000	Energo-Pro A/S, Reg. S 4.5% 05/04/2024	CZE	EUR	3,645,093	0.87
3,500,000	Cemex SAB de CV, Reg. S 3.125% 03/19/2026	MEX	EUR	3,536,312	0.84
3,500,000	Globalworth Real Estate Investments Ltd., REIT, Reg. S 3% 03/29/2025	ROU	EUR	3,522,319	0.84
3,500,000	Banco de Sabadell SA, Reg. S 0.875% 07/22/2025	ESP	EUR	3,506,548	0.84
3,500,000	Intesa Sanpaolo SpA, Reg. S, FRN 6.25% Perpetual	ITA	EUR	3,500,231	0.84
3,457,000	Banca Farmafactoring SpA, Reg. S 1.75% 05/23/2023	ITA	EUR	3,469,253	0.83
3,300,000	Telecom Italia SpA, Reg. S 2.75% 04/15/2025	ITA	EUR	3,407,725	0.81
3,500,000	Matterhorn Telecom SA, Reg. S 3.125% 09/15/2026	LUX	EUR	3,349,374	0.80
3,600,000	Teollisuuden Voima OYJ, Reg. S 1.125% 03/09/2026	FIN	EUR	3,321,101	0.79
3,500,000	Aroundtown SA, Reg. S, FRN 2.125% Perpetual	DEU	EUR	3,302,656	0.79
3,300,000	Grifols SA, Reg. S 1.625% 02/15/2025	ESP	EUR	3,267,525	0.78
3,000,000	Netflix, Inc. 3.625% 05/15/2027	USA	EUR	3,250,800	0.78
3,600,000	Banco Comercial Portugues SA, Reg. S, FRN 3.871% 03/27/2030	PRT	EUR	3,239,276	0.77
3,200,000	Grand City Properties SA, Reg. S, FRN 2.5% Perpetual	DEU	EUR	3,213,152	0.77
3,000,000	Commerzbank AG, Reg. S 4% 03/23/2026	DEU	EUR	3,207,699	0.77
3,000,000	Danaher Corp. 1.7% 03/30/2024	USA	EUR	3,164,289	0.75
3,000,000	Auchan Holding SA, Reg. S 2.375% 04/25/2025	FRA	EUR	3,116,301	0.74
3,000,000	KBC Group NV, Reg. S, FRN 4.75% Perpetual	BEL	EUR	3,088,860	0.74
3,000,000	Enel SpA, Reg. S, FRN 2.5% 11/24/2078	ITA	EUR	3,071,961	0.73
3,000,000	Holcim Finance Luxembourg SA, Reg. S, FRN 3% Perpetual	CHE	EUR	3,065,583	0.73
3,000,000	Suez SA, Reg. S, FRN 2.875% Perpetual	FRA	EUR	3,064,488	0.73
3,000,000	Darling Global Finance BV, Reg. S 3.625% 05/15/2026	USA	EUR	3,062,673	0.73
3,000,000	ArcelorMittal SA, Reg. S 2.25% 01/17/2024	LUX	EUR	3,055,362	0.73
3,000,000	UniCredit SpA, Reg. S, FRN 6.625% Perpetual	ITA	EUR	2,984,400	0.71

**Franklin Green Target Income 2024 Fund** (continued)

(Currency - EUR)

Number of shares or face value	Description	Country code	Trading currency	Market value	% of net assets
3,000,000	ProGroup AG, Reg. S 3% 03/31/2026	DEU	EUR	2,983,466	0.71
3,000,000	Samhallsbyggnadsbolaget i Norden AB, Reg. S 1.125% 09/04/2026	SWE	EUR	2,963,613	0.71
3,000,000	CPI Property Group SA, Reg. S, FRN 4.875% Perpetual	CZE	EUR	2,944,290	0.71
2,600,000	Lloyds Banking Group plc, Reg. S, FRN 3.5% 04/01/2026	GBR	EUR	2,924,845	0.70
2,540,000	Credit Suisse Group AG, Reg. S, FRN 3.25% 04/02/2026	CHE	EUR	2,842,768	0.68
2,700,000	BNP Paribas SA, Reg. S, FRN 6.125% Perpetual	FRA	EUR	2,838,375	0.68
2,900,000	Catalent Pharma Solutions, Inc., Reg. S 2.375% 03/01/2028	USA	EUR	2,796,688	0.67
2,800,000	CPI Property Group SA, Reg. S, FRN 4.375% Perpetual	CZE	EUR	2,771,695	0.66
2,800,000	Abanca Corp. Bancaria SA, Reg. S, FRN 4.625% 04/07/2030	ESP	EUR	2,764,611	0.66
2,700,000	CK Hutchison Group Telecom Finance SA, Reg. S 0.75% 04/17/2026	GBR	EUR	2,757,314	0.66
2,700,000	Encore Capital Group, Inc., Reg. S 4.875% 10/15/2025	USA	EUR	2,702,241	0.64
2,500,000	LKQ European Holdings BV, Reg. S 4.125% 04/01/2028	USA	EUR	2,667,812	0.64
2,500,000	Intesa Sanpaolo Vita SpA, Reg. S, FRN 4.75% Perpetual	ITA	EUR	2,635,213	0.63
2,500,000	Orange SA, Reg. S, FRN 2.375% Perpetual	FRA	EUR	2,587,033	0.62
2,800,000	Ibercaja Banco SA, Reg. S, FRN 2.75% 07/23/2030	ESP	EUR	2,572,716	0.61
2,610,000	Nidda Healthcare Holding GmbH, Reg. S 3.5% 09/30/2024	DEU	EUR	2,553,754	0.61
2,500,000	Phoenix PIB Dutch Finance BV, Reg. S 2.375% 08/05/2025	DEU	EUR	2,524,750	0.60
3,000,000	Intesa Sanpaolo SpA, Reg. S, FRN 3.75% Perpetual	ITA	EUR	2,468,220	0.59
2,400,000	Naturgy Finance BV, Reg. S, FRN 3.375% Perpetual	ESP	EUR	2,465,069	0.59
2,500,000	Quatrim SASU, Reg. S 5.875% 01/15/2024	FRA	EUR	2,403,230	0.57
2,500,000	Banco de Sabadell SA, Reg. S 1.125% 03/27/2025	ESP	EUR	2,400,335	0.57
2,500,000	Altice France SA, Reg. S 2.5% 01/15/2025	FRA	EUR	2,391,925	0.57
2,300,000	ADO Properties SA, Reg. S 3.25% 08/05/2025	DEU	EUR	2,328,902	0.56
2,200,000	UniCredit SpA, Reg. S, FRN 6.75% Perpetual	ITA	EUR	2,211,440	0.53
2,100,000	Samhallsbyggnadsbolaget i Norden AB, Reg. S, FRN 4.625% Perpetual	SWE	EUR	2,176,326	0.52
2,000,000	UniCredit SpA, Reg. S, FRN 7.5% Perpetual	ITA	EUR	2,169,712	0.52
2,200,000	Aroundtown SA, Reg. S, FRN 2.875% Perpetual	DEU	EUR	2,128,045	0.51
2,000,000	Crown European Holdings SA, Reg. S 3.375% 05/15/2025	USA	EUR	2,119,094	0.51
2,200,000	Techem Verwaltungsgesellschaft 675 mbH, Reg. S 2% 07/15/2025	DEU	EUR	2,106,500	0.50
2,000,000	Equinix, Inc., REIT 2.875% 02/01/2026	USA	EUR	2,043,498	0.49
1,800,000	Goldman Sachs Group, Inc. (The), Reg. S 3.375% 03/27/2025	USA	EUR	2,037,481	0.49
2,000,000	OI European Group BV, Reg. S 3.125% 11/15/2024	USA	EUR	2,027,486	0.48
2,000,000	El Corte Ingles SA, Reg. S 3.625% 03/15/2024	ESP	EUR	2,023,820	0.48
2,000,000	IQVIA, Inc., Reg. S 2.875% 09/15/2025	USA	EUR	2,017,576	0.48
2,000,000	Aroundtown SA, Reg. S, FRN 3.375% Perpetual	DEU	EUR	1,999,172	0.48
2,000,000	Victoria plc, Reg. S 5.25% 07/15/2024	GBR	EUR	1,998,790	0.48
2,000,000	British Telecommunications plc, Reg. S 0.5% 09/12/2025	GBR	EUR	1,989,778	0.47
2,000,000	Smurfit Kappa Treasury ULC, Reg. S 1.5% 09/15/2027	IRL	EUR	1,984,676	0.48
2,000,000	Lincoln Financing SARL, Reg. S 3.625% 04/01/2024	NLD	EUR	1,930,804	0.46
2,000,000	Loxam SAS, Reg. S 3.75% 07/15/2026	FRA	EUR	1,919,780	0.46
1,800,000	UPCB Finance IV Ltd., Reg. S 4% 01/15/2027	NLD	EUR	1,828,143	0.44
1,800,000	Banco de Sabadell SA, Reg. S 1.75% 05/10/2024	ESP	EUR	1,779,215	0.43
1,700,000	KION Group AG, Reg. S 1.625% 09/24/2025	DEU	EUR	1,705,780	0.41
1,600,000	Kraton Polymers LLC, Reg. S 5.25% 05/15/2026	USA	EUR	1,620,000	0.39
1,600,000	Axalta Coating Systems Dutch Holding B BV, Reg. S 3.75% 01/15/2025	USA	EUR	1,608,221	0.38
1,500,000	Altice France SA, Reg. S 5.875% 02/01/2027	FRA	EUR	1,589,641	0.38
1,500,000	Titan Global Finance plc, Reg. S 2.375% 11/16/2024	GRC	EUR	1,513,597	0.36
1,500,000	Cabot Financial Luxembourg II SA, Reg. S, FRN 6.375% 06/14/2024	GBR	EUR	1,508,715	0.36
1,500,000	Mauser Packaging Solutions Holding Co., Reg. S 4.75% 04/15/2024	USA	EUR	1,466,104	0.35
1,400,000	Avantor, Inc., Reg. S 4.75% 10/01/2024	USA	EUR	1,452,843	0.35
2,000,000	Groupe Ecore Holding SAS, Reg. S, FRN 6.25% 11/15/2023	LUX	EUR	1,446,250	0.35
1,400,000	Viridian Group FinanceCo plc, Reg. S 4% 09/15/2025	GBR	EUR	1,398,923	0.33
1,200,000	BNP Paribas Cardif SA, Reg. S, FRN 4.032% Perpetual	FRA	EUR	1,321,669	0.32
1,300,000	Kronos International, Inc., Reg. S 3.75% 09/15/2025	USA	EUR	1,287,949	0.31
1,300,000	Nexi SpA, Reg. S 1.75% 10/31/2024	ITA	EUR	1,286,636	0.31
1,500,000	Samsonite Finco Sarl, Reg. S 3.5% 05/15/2026	USA	EUR	1,226,375	0.29
1,200,000	alstria office REIT-AG, Reg. S 1.5% 06/23/2026	DEU	EUR	1,224,695	0.29
1,150,000	Telia Co. AB, Reg. S, FRN 1.375% 05/11/2081	SWE	EUR	1,130,510	0.27
1,000,000	Telecom Italia SpA, Reg. S 4% 04/11/2024	ITA	EUR	1,063,744	0.25
1,000,000	Abanca Corp. Bancaria SA, Reg. S, FRN 6.125% 01/18/2029	ESP	EUR	1,055,730	0.25
1,000,000	Firmenich International SA, Reg. S, FRN 3.75% Perpetual	CHE	EUR	1,047,000	0.25
1,000,000	Intesa Sanpaolo SpA, Reg. S 2.855% 04/23/2025	ITA	EUR	1,038,336	0.25
1,000,000	Chorus Ltd., Reg. S 0.875% 12/05/2026	NZL	EUR	1,029,535	0.25



**Franklin Green Target Income 2024 Fund** (continued)

(Currency - EUR)

Number of shares or face value	Description	Country code	Trading currency	Market value	% of net assets
1,025,000	Schoeller Packaging BV, Reg. S 6.375% 11/01/2024	NLD	EUR	982,470	0.23
1,000,000	Abanca Corp. Bancaria SA, Reg. S, FRN 7.5% Perpetual	ESP	EUR	941,518	0.22
1,200,000	Air France-KLM, Reg. S 1.875% 01/16/2025	FRA	EUR	881,142	0.21
900,000	Banjay Entertainment SASU, Reg. S 3.5% 03/01/2025	FRA	EUR	880,950	0.21
840,000	Cogent Communications Group, Inc., Reg. S 4.375% 06/30/2024	USA	EUR	856,585	0.20
850,000	Ardagh Packaging Finance plc, Reg. S 2.125% 08/15/2026	USA	EUR	828,626	0.20
800,000	International Design Group SpA, Reg. S 6.5% 11/15/2025	ITA	EUR	762,920	0.18
500,000	Vonovia Finance BV, Reg. S 1.625% 04/07/2024	DEU	EUR	525,976	0.12
500,000	CRH Finland Services OYJ, Reg. S 0.875% 11/05/2023	IRL	EUR	512,915	0.12
200,000	Unione di Banche Italiane SpA, Reg. S, FRN 5.875% Perpetual	ITA	EUR	195,625	0.05
200,000	International Design Group SpA, Reg. S, FRN 6% 11/15/2025	ITA	EUR	186,000	0.05
				389,968,001	93.13
	<b>Government and Municipal Bonds</b>				
5,500,000	Electricite de France SA, Reg. S, FRN 5.375% Perpetual	FRA	EUR	6,053,454	1.45
4,600,000	Caixa Geral de Depositos SA, Reg. S, FRN 5.75% 06/28/2028	PRT	EUR	5,004,616	1.20
4,000,000	Belfius Bank SA, Reg. S, FRN 1.625% 03/15/2028	BEL	EUR	4,016,460	0.96
2,560,000	Türkiye Vakıflar Bankası TAO, Reg. S 2.375% 05/04/2021	TUR	EUR	2,534,915	0.61
2,000,000	North Macedonia Government Bond, Reg. S 2.75% 01/18/2025	MKD	EUR	2,059,150	0.49
				19,668,595	4.71
	<b>TOTAL Bonds</b>			409,636,596	97.84
	<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING</b>			409,636,596	97.84
	TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET				
	<b>BONDS</b>				
	<b>Corporate Bonds</b>				
600,000	Lorca Telecom Bondco SAU 4% 09/18/2027	ESP	EUR	611,994	0.14
				611,994	0.14
	<b>TOTAL Bonds</b>			611,994	0.14
	<b>TOTAL TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET</b>			611,994	0.14
	<b>TOTAL INVESTMENTS</b>			<b>410,248,590</b>	<b>97.98</b>

## Schedule of Investments, September 30, 2020

## Franklin Multi Bond 2022 Fund

(Currency - EUR)

Number of shares or face value	Description	Country code	Trading currency	Market value	% of net assets
	TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING				
	<b>BONDS</b>				
	<b>Corporate Bonds</b>				
700,000	Enel SpA, Reg. S, FRN 2.5% 11/24/2078	ITA	EUR	716,791	2.90
700,000	HSBC Holdings plc, Reg. S, FRN 5.25% Perpetual	GBR	EUR	710,658	2.87
650,000	Danske Bank A/S, Reg. S, FRN 5.875% Perpetual	DNK	EUR	671,321	2.71
600,000	Zurich Insurance Co. Ltd., Reg. S, FRN 4.25% 10/02/2043	CHE	EUR	660,268	2.67
600,000	Banco Santander SA, Reg. S, FRN 6.75% Perpetual	ESP	EUR	627,892	2.54
600,000	Naturgy Finance BV, Reg. S, FRN 4.125% Perpetual	ESP	EUR	622,799	2.52
600,000	Cooperatieve Rabobank UA, Reg. S, FRN 6.625% Perpetual	NLD	EUR	620,095	2.51
600,000	Telefonica Europe BV, Reg. S, FRN 3.75% Perpetual	ESP	EUR	611,250	2.47
600,000	CNAC HK Finbridge Co. Ltd., Reg. S 1.75% 06/14/2022	CHN	EUR	604,907	2.44
550,000	Nykredit Realkredit A/S, Reg. S, FRN 2.75% 11/17/2027	DNK	EUR	572,912	2.32
500,000	Glencore Finance Europe Ltd., Reg. S 3.7% 10/23/2023	AUD	EUR	547,720	2.22
500,000	Barclays Bank plc, Reg. S 6.625% 03/30/2022	GBR	EUR	545,807	2.21
500,000	BPCE SA, Reg. S, FRN 2.75% 11/30/2027	FRA	EUR	524,338	2.12
500,000	MPT Operating Partnership LP, REIT 4% 08/19/2022	USA	EUR	521,127	2.11
500,000	Grand City Properties SA, FRN 3.75% Perpetual	DEU	EUR	517,193	2.09
400,000	AXA SA, Reg. S, FRN 5.125% 07/04/2043	FRA	EUR	447,018	1.81
400,000	Erste Group Bank AG, Reg. S, FRN 8.875% Perpetual	AUT	EUR	428,317	1.73
400,000	Unione di Banche Italiane SpA, Reg. S, FRN 4.45% 09/15/2027	ITA	EUR	417,976	1.69
400,000	Orano SA, Reg. S 3.125% 03/20/2023	FRA	EUR	411,928	1.66
400,000	Bankia SA, Reg. S, FRN 3.375% 03/15/2027	ESP	EUR	410,384	1.66
400,000	Banco de Sabadell SA, Reg. S, FRN 1.75% 06/29/2023	ESP	EUR	408,824	1.65
400,000	Summit Properties Ltd., Reg. S 2% 01/31/2025	DEU	EUR	381,236	1.54
300,000	Teleperformance, Reg. S 1.5% 04/03/2024	FRA	EUR	311,378	1.26
300,000	Samhallsbyggnadsbolaget i Norden AB, Reg. S, FRN 4.625% Perpetual	SWE	EUR	310,904	1.26
300,000	UniCredit SpA, Reg. S, FRN 4.375% 01/03/2027	ITA	EUR	309,656	1.25
300,000	CaixaBank SA, Reg. S, FRN 3.5% 02/15/2027	ESP	EUR	308,237	1.25
300,000	NE Property BV, Reg. S 2.625% 05/22/2023	ROU	EUR	304,924	1.23
300,000	Equinix, Inc., REIT 2.875% 10/01/2025	USA	EUR	304,660	1.23
300,000	FCC Servicios Medio Ambiente Holding SAU, Reg. S 0.815% 12/04/2023	ESP	EUR	302,699	1.22
300,000	Banca Farmafactoring SpA, Reg. S 1.75% 05/23/2023	ITA	EUR	301,063	1.22
300,000	Peach Property Finance GmbH, Reg. S 3.5% 02/15/2023	DEU	EUR	299,014	1.21
300,000	Banco de Sabadell SA, Reg. S 1.75% 05/10/2024	ESP	EUR	296,536	1.20
300,000	ArcelorMittal SA, Reg. S 1% 05/19/2023	LUX	EUR	295,653	1.20
300,000	Energo-Pro A/S, Reg. S 4% 12/07/2022	CZE	EUR	288,364	1.17
300,000	Banco de Sabadell SA, Reg. S 1.125% 03/27/2025	ESP	EUR	288,040	1.17
250,000	WMG Acquisition Corp., Reg. S 3.625% 10/15/2026	USA	EUR	255,981	1.03
250,000	Teva Pharmaceutical Finance Netherlands II BV, Reg. S 1.25% 03/31/2023	ISR	EUR	232,177	0.94
200,000	Castellum AB, Reg. S 2.125% 11/20/2023	SWE	EUR	210,225	0.85
200,000	Credit Agricole SA, Reg. S, FRN 6.5% Perpetual	FRA	EUR	204,974	0.83
200,000	Commonwealth Bank of Australia, Reg. S, FRN 2% 04/22/2027	AUD	EUR	203,695	0.82
200,000	Colfax Corp., Reg. S 3.25% 05/15/2025	USA	EUR	201,220	0.81
200,000	Goldman Sachs Group, Inc. (The), Reg. S, FRN 0.107% 04/21/2023	USA	EUR	200,216	0.81
200,000	Cemex SAB de CV, Reg. S 2.75% 12/05/2024	MEX	EUR	199,123	0.80
200,000	UniCredit SpA, Reg. S, FRN 6.625% Perpetual	ITA	EUR	198,960	0.81
200,000	Nidda Healthcare Holding GmbH, Reg. S 3.5% 09/30/2024	DEU	EUR	195,690	0.79
200,000	Limacorporate SpA, Reg. S, FRN 3.75% 08/15/2023	ITA	EUR	191,500	0.77
200,000	Loxam SAS, Reg. S 3.25% 01/14/2025	FRA	EUR	190,458	0.77
200,000	Casino Guichard Perrachon SA, Reg. S 4.561% 01/25/2023	FRA	EUR	186,310	0.75
200,000	Banco de Sabadell SA, Reg. S, FRN 6.125% Perpetual	ESP	EUR	175,810	0.71
150,000	Swiss Reinsurance Co. Ltd., Reg. S, FRN 6.625% 09/01/2042	CHE	EUR	167,518	0.68
148,000	Glencore Finance Europe Ltd., Reg. S 1.875% 09/13/2023	AUD	EUR	153,887	0.62
125,000	RELX Finance BV, Reg. S 0% 03/18/2024	GBR	EUR	124,979	0.51
100,000	Altice France SA, Reg. S 5.875% 02/01/2027	FRA	EUR	105,976	0.43
100,000	Vonovia Finance BV, Reg. S 1.625% 04/07/2024	DEU	EUR	105,195	0.43
100,000	Teva Pharmaceutical Finance Netherlands II BV 6% 01/31/2025	ISR	EUR	102,805	0.41
100,000	Axalta Coating Systems Dutch Holding B BV, Reg. S 3.75% 01/15/2025	USA	EUR	100,514	0.41

**Franklin Multi Bond 2022 Fund** (continued)

(Currency - EUR)

Number of shares or face value	Description	Country code	Trading currency	Market value	% of net assets
100,000	Victoria plc, Reg. S 5.25% 07/15/2024	GBR	EUR	99,939	0.40
100,000	Trivium Packaging Finance BV, Reg. S 3.75% 08/15/2026	NLD	EUR	99,285	0.40
100,000	Nexi SpA, Reg. S 1.75% 10/31/2024	ITA	EUR	98,972	0.40
100,000	Belden, Inc., Reg. S 2.875% 09/15/2025	USA	EUR	98,224	0.40
100,000	Matterhorn Telecom SA, Reg. S 2.625% 09/15/2024	LUX	EUR	97,767	0.39
100,000	Lincoln Financing SARL, Reg. S 3.625% 04/01/2024	NLD	EUR	96,540	0.39
100,000	Schoeller Packaging BV, Reg. S 6.375% 11/01/2024	NLD	EUR	95,851	0.39
100,000	Altice France SA, Reg. S 2.5% 01/15/2025	FRA	EUR	95,677	0.39
				20,391,357	82.45
	<b>Government and Municipal Bonds</b>				
650,000	Indonesia Government Bond, Reg. S 2.625% 06/14/2023	IDN	EUR	686,969	2.78
600,000	Macedonia Government Bond, Reg. S 5.625% 07/26/2023	MKD	EUR	661,905	2.68
500,000	Turkiye Vakiflar Bankasi TAO, Reg. S 2.375% 05/04/2021	TUR	EUR	495,101	2.00
300,000	Caixa Geral de Depositos SA, Reg. S, FRN 5.75% 06/28/2028	PRT	EUR	326,388	1.32
300,000	Electricite de France SA, Reg. S, FRN 4% Perpetual	FRA	EUR	313,968	1.27
300,000	Islandsbanki HF, Reg. S, FRN 1.125% 01/19/2024	ISL	EUR	301,588	1.22
250,000	Banque Centrale de Tunisie International Bond, Reg. S 5.625% 02/17/2024	TUN	EUR	226,762	0.92
200,000	Kazakhstan Government Bond, Reg. S 1.55% 11/09/2023	KAZ	EUR	204,946	0.83
100,000	Belfius Bank SA, Reg. S, FRN 1.625% 03/15/2028	BEL	EUR	100,411	0.40
				3,318,038	13.42
	<b>TOTAL Bonds</b>			23,709,395	95.87
	<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING</b>			23,709,395	95.87
	TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET				
	<b>BONDS</b>				
	<b>Corporate Bonds</b>				
300,000	AbbVie, Inc., Reg. S 1.5% 11/15/2023	USA	EUR	312,821	1.27
				312,821	1.27
	<b>TOTAL Bonds</b>			312,821	1.27
	<b>TOTAL TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET</b>			312,821	1.27
	<b>TOTAL INVESTMENTS</b>			24,022,216	97.14

## Schedule of Investments, September 30, 2020

## Franklin Target Income 2024 Fund

(Currency - EUR)

Number of shares or face value	Description	Country code	Trading currency	Market value	% of net assets
	TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING				
	<b>BONDS</b>				
	<b>Corporate Bonds</b>				
10,000,000	CaixaBank SA, Reg. S, FRN 6.75% Perpetual	ESP	EUR	10,432,910	2.12
10,000,000	Intesa Sanpaolo SpA, Reg. S, FRN 6.25% Perpetual	ITA	EUR	10,000,660	2.03
10,000,000	Banco Bilbao Vizcaya Argentaria SA, Reg. S, FRN 6% Perpetual	ESP	EUR	9,977,800	2.03
10,000,000	UniCredit SpA, Reg. S, FRN 6.625% Perpetual	ITA	EUR	9,948,000	2.02
9,000,000	Telefonica Europe BV, Reg. S, FRN 4.375% Perpetual	ESP	EUR	9,512,136	1.93
8,800,000	Erste Group Bank AG, Reg. S, FRN 6.5% Perpetual	AUT	EUR	9,478,093	1.93
9,000,000	Grand City Properties SA, Reg. S, FRN 2.5% Perpetual	DEU	EUR	9,036,990	1.84
9,000,000	NE Property BV, Reg. S 1.75% 11/23/2024	ROU	EUR	8,846,874	1.80
8,000,000	Assicurazioni Generali SpA, Reg. S, FRN 4.596% Perpetual	ITA	EUR	8,567,336	1.74
8,000,000	Barclays plc, Reg. S, FRN 2% 02/07/2028	GBR	EUR	7,951,680	1.62
8,000,000	CPI Property Group SA, Reg. S, FRN 4.375% Perpetual	CZE	EUR	7,919,128	1.61
7,000,000	KBC Group NV, Reg. S, FRN 4.75% Perpetual	BEL	EUR	7,207,340	1.46
7,000,000	Liberty Mutual Group, Inc., Reg. S, FRN 3.625% 05/23/2059	USA	EUR	6,941,900	1.41
6,500,000	Intesa Sanpaolo Vita SpA, Reg. S, FRN 4.75% Perpetual	ITA	EUR	6,851,553	1.39
7,000,000	Aroundtown SA, Reg. S, FRN 2.125% Perpetual	DEU	EUR	6,605,312	1.34
6,400,000	Cooperatieve Rabobank UA, Reg. S, FRN 4.625% Perpetual	NLD	EUR	6,596,026	1.34
5,652,000	ASR Nederland NV, Reg. S, FRN 5.125% 09/29/2045	NLD	EUR	6,522,193	1.33
6,000,000	Danske Bank A/S, Reg. S, FRN 2.5% 06/21/2029	DNK	EUR	6,257,327	1.27
6,000,000	Orano SA, Reg. S 3.375% 04/23/2026	FRA	EUR	6,207,918	1.26
6,000,000	Energo-Pro A/S, Reg. S 4.5% 05/04/2024	CZE	EUR	5,755,410	1.17
6,000,000	Summit Properties Ltd., Reg. S 2% 01/31/2025	DEU	EUR	5,718,534	1.16
7,000,000	Teva Pharmaceutical Finance Netherlands II BV, Reg. S 1.625% 10/15/2028	ISR	EUR	5,565,770	1.13
5,000,000	HBOS plc, FRN 4.5% 03/18/2030	GBR	EUR	5,531,360	1.12
5,400,000	Banca Farmafactoring SpA, Reg. S 1.75% 05/23/2023	ITA	EUR	5,419,140	1.10
5,000,000	EDP - Energias de Portugal SA, Reg. S, FRN 4.496% 04/30/2079	PRT	EUR	5,409,345	1.10
7,000,000	Casino Guichard Perrachon SA, Reg. S 3.58% 02/07/2025	FRA	EUR	5,346,152	1.09
5,000,000	LKQ European Holdings BV, Reg. S 4.125% 04/01/2028	USA	EUR	5,335,625	1.08
5,000,000	Telecom Italia SpA, Reg. S 4% 04/11/2024	ITA	EUR	5,318,720	1.08
5,000,000	Bankia SA, Reg. S, FRN 3.75% 02/15/2029	ESP	EUR	5,296,435	1.08
5,000,000	HSBC Holdings plc, Reg. S, FRN 6% Perpetual	GBR	EUR	5,282,200	1.07
5,500,000	Unicaja Banco SA, Reg. S, FRN 2.875% 11/13/2029	ESP	EUR	5,273,125	1.07
5,000,000	Netflix, Inc., Reg. S 3% 06/15/2025	USA	EUR	5,219,375	1.06
5,000,000	Naturgy Finance BV, Reg. S, FRN 3.375% Perpetual	ESP	EUR	5,135,560	1.04
5,000,000	WMG Acquisition Corp., Reg. S 3.625% 10/15/2026	USA	EUR	5,119,625	1.04
5,000,000	Arkema SA, Reg. S, FRN 2.75% Perpetual	FRA	EUR	5,101,250	1.04
5,000,000	Vodafone Group plc, Reg. S, FRN 3.1% 01/03/2079	GBR	EUR	5,095,515	1.04
5,000,000	Credit Mutuel Arkea SA, Reg. S, FRN 1.875% 10/25/2029	FRA	EUR	5,075,875	1.03
5,500,000	Teollisuuden Voima OYJ, Reg. S 1.125% 03/09/2026	FIN	EUR	5,073,904	1.03
5,000,000	Viridian Group FinanceCo plc, Reg. S 4% 09/15/2025	GBR	EUR	4,996,155	1.01
5,000,000	Matterhorn Telecom SA, Reg. S 3.125% 09/15/2026	LUX	EUR	4,784,820	0.97
4,630,000	Nidda Healthcare Holding GmbH, Reg. S 3.5% 09/30/2024	DEU	EUR	4,530,224	0.92
4,000,000	Altice France SA, Reg. S 5.875% 02/01/2027	FRA	EUR	4,239,044	0.86
4,000,000	BAWAG Group AG, Reg. S, FRN 2.375% 03/26/2029	AUT	EUR	4,098,828	0.83
4,000,000	Suez SA, Reg. S, FRN 2.875% Perpetual	FRA	EUR	4,085,984	0.83
4,000,000	Albemarle New Holding GmbH, Reg. S 1.125% 11/25/2025	USA	EUR	4,055,125	0.82
4,000,000	SPCM SA, Reg. S 2% 02/01/2026	FRA	EUR	4,000,968	0.81
4,000,000	Belden, Inc., Reg. S 3.375% 07/15/2027	USA	EUR	3,975,192	0.81
3,500,000	Lloyds Banking Group plc, Reg. S, FRN 3.5% 04/01/2026	GBR	EUR	3,937,292	0.80
4,000,000	INEOS Finance plc, Reg. S 2.875% 05/01/2026	LUX	EUR	3,864,052	0.79
4,000,000	Lincoln Financing SARL, Reg. S 3.625% 04/01/2024	NLD	EUR	3,861,608	0.78
4,000,000	Arrow Global Finance plc, Reg. S, FRN 2.875% 04/01/2025	GBR	EUR	3,755,240	0.76
4,000,000	Loxam SAS, Reg. S 4.5% 04/15/2027	FRA	EUR	3,471,112	0.70
3,000,000	ASR Nederland NV, Reg. S, FRN 5% Perpetual	NLD	EUR	3,337,923	0.68
3,600,000	Ibercaja Banco SA, Reg. S, FRN 2.75% 07/23/2030	ESP	EUR	3,307,777	0.67
3,200,000	Abanca Corp. Bancaria SA, Reg. S, FRN 4.625% 04/07/2030	ESP	EUR	3,159,555	0.64
3,000,000	Telecom Italia SpA, Reg. S 3% 09/30/2025	ITA	EUR	3,131,100	0.63
3,100,000	Aroundtown SA, Reg. S, FRN 3.375% Perpetual	DEU	EUR	3,098,717	0.63
2,900,000	Samhallsbyggnadsbolaget i Norden AB, Reg. S, FRN 4.625% Perpetual	SWE	EUR	3,005,403	0.61
3,000,000	Faurecia SE, Reg. S 3.125% 06/15/2026	FRA	EUR	2,987,100	0.61

Franklin Target Income 2024 Fund (continued)

(Currency - EUR)

Number of shares or face value	Description	Country code	Trading currency	Market value	% of net assets
2,800,000	CK Hutchison Group Telecom Finance SA, Reg. S 0.75% 04/17/2026	GBR	EUR	2,859,436	0.58
2,500,000	Goldman Sachs Group, Inc. (The), Reg. S 3.375% 03/27/2025	USA	EUR	2,829,835	0.58
2,900,000	Standard Industries, Inc., Reg. S 2.25% 11/21/2026	USA	EUR	2,782,936	0.57
3,100,000	Sazka Group A/S, Reg. S 3.875% 02/15/2027	CZE	EUR	2,765,820	0.56
2,700,000	Encore Capital Group, Inc., Reg. S 4.875% 10/15/2025	USA	EUR	2,702,241	0.55
2,380,000	Credit Suisse Group AG, Reg. S, FRN 3.25% 04/02/2026	CHE	EUR	2,663,696	0.54
2,500,000	MPT Operating Partnership LP, REIT 3.325% 03/24/2025	USA	EUR	2,619,882	0.53
2,500,000	Phoenix PIB Dutch Finance BV, Reg. S 2.375% 08/05/2025	DEU	EUR	2,524,750	0.51
2,500,000	Kronos International, Inc., Reg. S 3.75% 09/15/2025	USA	EUR	2,476,825	0.50
2,500,000	CNAC HK Finbridge Co. Ltd., Reg. S 1.125% 09/22/2024	CHN	EUR	2,470,720	0.50
2,400,000	ADO Properties SA, Reg. S 3.25% 08/05/2025	DEU	EUR	2,430,158	0.49
3,000,000	Pro-Gest SpA, Reg. S 3.25% 12/15/2024	ITA	EUR	2,403,445	0.49
2,000,000	Crown European Holdings SA, Reg. S 3.375% 05/15/2025	USA	EUR	2,119,094	0.43
2,000,000	Auchan Holding SA, Reg. S 2.625% 01/30/2024	FRA	EUR	2,088,803	0.42
2,000,000	Danske Bank A/S, Reg. S, FRN 5.875% Perpetual	DNK	EUR	2,065,604	0.42
2,150,000	Schoeller Packaging BV, Reg. S 6.375% 11/01/2024	NLD	EUR	2,060,792	0.42
2,000,000	Holcim Finance Luxembourg SA, Reg. S, FRN 3% Perpetual	CHE	EUR	2,043,722	0.42
2,000,000	Volkswagen International Finance NV, Reg. S, FRN 3.5% Perpetual	DEU	EUR	2,028,622	0.41
2,000,000	El Corte Ingles SA, Reg. S 3.625% 03/15/2024	ESP	EUR	2,023,820	0.41
1,900,000	Victoria plc, Reg. S 5.25% 07/15/2024	GBR	EUR	1,898,850	0.39
1,900,000	Techem Verwaltungsgesellschaft 675 mbH, Reg. S 2% 07/15/2025	DEU	EUR	1,819,250	0.37
1,800,000	Aroundtown SA, Reg. S, FRN 2.875% Perpetual	DEU	EUR	1,741,127	0.35
1,700,000	KION Group AG, Reg. S 1.625% 09/24/2025	DEU	EUR	1,705,780	0.35
1,700,000	Grifols SA, Reg. S 1.625% 02/15/2025	ESP	EUR	1,683,270	0.34
1,500,000	Credit Agricole Assurances SA, Reg. S, FRN 4.25% Perpetual	FRA	EUR	1,633,702	0.33
1,700,000	Banco de Sabadell SA, Reg. S 1.125% 03/27/2025	ESP	EUR	1,632,228	0.33
1,600,000	Banco de Sabadell SA, Reg. S 1.75% 05/10/2024	ESP	EUR	1,581,525	0.32
1,500,000	Telenet Finance Luxembourg Notes Sarl, Reg. S 3.5% 03/01/2028	BEL	EUR	1,551,411	0.32
1,550,000	Telia Co. AB, Reg. S, FRN 1.375% 05/11/2081	SWE	EUR	1,523,731	0.31
1,500,000	Mauser Packaging Solutions Holding Co., Reg. S 4.75% 04/15/2024	USA	EUR	1,466,104	0.30
1,500,000	Catalent Pharma Solutions, Inc., Reg. S 2.375% 03/01/2028	USA	EUR	1,446,563	0.29
1,405,000	Cemex SAB de CV, Reg. S 3.125% 03/19/2026	MEX	EUR	1,419,577	0.29
1,300,000	Royal Mail plc, Reg. S 1.25% 10/08/2026	GBR	EUR	1,295,662	0.26
1,000,000	ING Groep NV, Reg. S, FRN 2.5% 02/15/2029	NLD	EUR	1,055,203	0.21
1,030,000	Cogent Communications Group, Inc., Reg. S 4.375% 06/30/2024	USA	EUR	1,050,337	0.21
1,000,000	Firmenich International SA, Reg. S, FRN 3.75% Perpetual	CHE	EUR	1,047,000	0.21
1,000,000	Orange SA, Reg. S, FRN 2.375% Perpetual	FRA	EUR	1,034,813	0.21
1,000,000	Nokia OYJ, Reg. S 2% 03/15/2024	FIN	EUR	1,032,634	0.21
1,400,000	Air France-KLM, Reg. S 1.875% 01/16/2025	FRA	EUR	1,027,999	0.21
1,100,000	International Design Group SpA, Reg. S, FRN 6% 11/15/2025	ITA	EUR	1,023,000	0.21
1,000,000	Samhallsbyggnadsbolaget i Norden AB, Reg. S 1.125% 09/04/2026	SWE	EUR	987,871	0.20
1,000,000	Energopro A/S, Reg. S 4% 12/07/2022	CZE	EUR	961,215	0.19
900,000	Kraton Polymers LLC, Reg. S 5.25% 05/15/2026	USA	EUR	911,250	0.19
850,000	Ardagh Packaging Finance plc, Reg. S 2.125% 08/15/2026	USA	EUR	828,626	0.17
800,000	Nexi SpA, Reg. S 1.75% 10/31/2024	ITA	EUR	791,776	0.16
600,000	Teva Pharmaceutical Finance Netherlands II BV 6% 01/31/2025	ISR	EUR	616,830	0.13
500,000	Cabot Financial Luxembourg II SA, Reg. S, FRN 6.375% 06/14/2024	GBR	EUR	502,905	0.10
	Axalta Coating Systems Dutch Holding B BV, Reg. S 3.75% 01/15/2025	USA	EUR	502,569	0.10
400,000	Netflix, Inc. 3.625% 05/15/2027	USA	EUR	433,440	0.09
300,000	Unione di Banche Italiane SpA, Reg. S, FRN 5.875% Perpetual	ITA	EUR	293,437	0.06
				418,077,201	84.90
	<b>Government and Municipal Bonds</b>				
6,000,000	Turkiye Vakiflar Bankasi TAO, Reg. S 2.375% 05/04/2021	TUR	EUR	5,941,206	1.21
5,000,000	Electricite de France SA, Reg. S, FRN 5% Perpetual	FRA	EUR	5,466,725	1.11
4,000,000	Electricite de France SA, Reg. S, FRN 5.375% Perpetual	FRA	EUR	4,402,512	0.89
4,500,000	Egypt Government Bond, Reg. S 4.75% 04/11/2025	EGY	EUR	4,400,838	0.89
4,000,000	Caixa Geral de Depositos SA, Reg. S, FRN 5.75% 06/28/2028	PRT	EUR	4,351,840	0.88
3,000,000	Banque Centrale de Tunisie International Bond, Reg. S 6.75% 10/31/2023	TUN	EUR	2,849,130	0.58
2,700,000	Banque Centrale de Tunisie International Bond, Reg. S 5.625% 02/17/2024	TUN	EUR	2,449,030	0.50
2,000,000	Electricite de France SA, Reg. S, FRN 4% Perpetual	FRA	EUR	2,093,122	0.43

**Franklin Target Income 2024 Fund** (continued)

(Currency - EUR)

Number of shares or face value	Description	Country code	Trading currency	Market value	% of net assets
2,000,000	Macedonia Government Bond, Reg. S 2.75% 01/18/2025	MKD	EUR	2,059,150	0.42
	<b>TOTAL Bonds</b>			<u>34,013,553</u>	<u>6.91</u>
	<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING</b>			<u>452,090,754</u>	<u>91.81</u>
	TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET			452,090,754	91.81
	<b>BONDS</b>				
	<b>Corporate Bonds</b>				
700,000	Lorca Telecom Bondco SAU 4% 09/18/2027	ESP	EUR	713,993	0.15
	<b>TOTAL Bonds</b>			<u>713,993</u>	<u>0.15</u>
	<b>TOTAL TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET</b>			<u>713,993</u>	<u>0.15</u>
	UNITS OF AUTHORISED UCITS OR OTHER COLLECTIVE INVESTMENT UNDERTAKINGS			713,993	0.15
	<b>COLLECTIVE INVESTMENT SCHEME - UCITS</b>				
	<b>Capital Markets</b>				
2,732,920	Franklin GCC Bond Fund - Class Y (Ydis) EUR-H1	LUX	EUR	29,269,570	5.94
	<b>TOTAL COLLECTIVE INVESTMENT SCHEME - UCITS</b>			<u>29,269,570</u>	<u>5.94</u>
	<b>TOTAL UNITS OF AUTHORISED UCITS OR OTHER COLLECTIVE INVESTMENT UNDERTAKINGS</b>			<u>29,269,570</u>	<u>5.94</u>
	<b>TOTAL INVESTMENTS</b>			<u><b>482,074,317</b></u>	<u><b>97.90</b></u>

## Schedule of Investments, September 30, 2020

## Franklin USD Diversified Bond Series I 2025 Fund

(Currency - USD)

Number of shares or face value	Description	Country code	Trading currency	Market value	% of net assets
	TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING				
	<b>BONDS</b>				
	<b>Corporate Bonds</b>				
8,200,000	Bharti Airtel International Netherlands BV, 144A 5.35% 05/20/2024	IND	USD	8,861,505	2.61
8,000,000	Shimao Group Holdings Ltd., Reg. S 6.125% 02/21/2024	CHN	USD	8,515,271	2.50
8,715,000	AerCap Ireland Capital DAC 3.5% 01/15/2025	IRL	USD	8,492,929	2.50
8,500,000	GMR Hyderabad International Airport Ltd., Reg. S 5.375% 04/10/2024	IND	USD	8,361,759	2.46
7,000,000	Goodman HK Finance, Reg. S 4.375% 06/19/2024	HKG	USD	7,600,845	2.23
8,000,000	EnLink Midstream Partners LP 4.4% 04/01/2024	USA	USD	7,225,840	2.12
7,000,000	Air Lease Corp. 2.3% 02/01/2025	USA	USD	6,880,412	2.02
7,500,000	Indika Energy Capital III Pte. Ltd., Reg. S 5.875% 11/09/2024	IDN	USD	6,750,000	1.98
6,266,000	Bluestar Finance Holdings Ltd., Reg. S 3.375% 07/16/2024	CHN	USD	6,538,540	1.92
6,000,000	CNAC HK Finbridge Co. Ltd., Reg. S 3.375% 06/19/2024	CHN	USD	6,245,100	1.84
5,000,000	Adani Green Energy UP Ltd., Reg. S 6.25% 12/10/2024	IND	USD	5,375,875	1.58
5,000,000	Energy Transfer Operating LP 4.05% 03/15/2025	USA	USD	5,256,866	1.55
5,000,000	OCI NV, 144A 5.25% 11/01/2024	NLD	USD	5,174,125	1.52
4,871,000	ReNew Power Synthetic, Reg. S 6.67% 03/12/2024	IND	USD	5,047,574	1.48
5,000,000	Enable Midstream Partners LP 3.9% 05/15/2024	USA	USD	4,924,823	1.45
5,000,000	Sasol Financing USA LLC 5.875% 03/27/2024	ZAF	USD	4,837,500	1.42
4,000,000	UBS AG, Reg. S 5.125% 05/15/2024	CHE	USD	4,415,000	1.30
4,000,000	Westpac Banking Corp., Reg. S 2% 01/16/2026	AUD	USD	4,239,126	1.25
4,000,000	African Export-Import Bank (The), Reg. S 4.125% 06/20/2024	SP	USD	4,220,360	1.24
4,129,000	Greenko Solar Mauritius Ltd., Reg. S 5.55% 01/29/2025	IND	USD	4,198,467	1.23
4,000,000	Country Garden Holdings Co. Ltd., Reg. S 5.125% 01/17/2025	CHN	USD	4,190,000	1.23
3,900,000	Black Sea Trade & Development Bank, Reg. S 3.5% 06/25/2024	SP	USD	4,124,546	1.21
3,500,000	REC Ltd., Reg. S 3.5% 12/12/2024	IND	USD	3,572,923	1.05
4,000,000	Bukit Makmur Mandiri Utama PT, Reg. S 7.75% 02/13/2022	IDN	USD	3,349,971	0.98
3,000,000	Cemex SAB de CV, 144A 5.7% 01/11/2025	MEX	USD	3,067,500	0.90
3,000,000	Crestwood Midstream Partners LP 6.25% 04/01/2023	USA	USD	2,940,645	0.87
3,000,000	InterGen NV, 144A 7% 06/30/2023	NLD	USD	2,887,500	0.85
2,500,000	CNAC HK Finbridge Co. Ltd., Reg. S 4.875% 03/14/2025	CHN	USD	2,765,210	0.81
2,000,000	Country Garden Holdings Co. Ltd., Reg. S 8% 01/27/2024	CHN	USD	2,175,000	0.64
2,000,000	Bank of Baroda, Reg. S 3.875% 04/04/2024	IND	USD	2,067,100	0.61
3,000,000	NGL Energy Partners LP 6.125% 03/01/2025	USA	USD	1,795,935	0.53
1,665,000	Brixmor Operating Partnership LP 3.85% 02/01/2025	USA	USD	1,783,552	0.52
1,396,000	Centene Corp. 4.75% 01/15/2025	USA	USD	1,436,554	0.42
1,094,000	Indika Energy Capital III Pte. Ltd., 144A 5.875% 11/09/2024	IDN	USD	984,600	0.29
850,000	Lembaga Pembiayaan Ekspor Indonesia, Reg. S 3.875% 04/06/2024	IDN	USD	906,419	0.27
785,000	Mirae Asset Daewoo Co. Ltd., Reg. S 3.375% 05/07/2024	KOR	USD	816,640	0.24
				162,026,012	47.62
	<b>Government and Municipal Bonds</b>				
5,000,000	Bank Mandiri Persero Tbk. PT, Reg. S 3.75% 04/11/2024	IDN	USD	5,265,406	1.55
4,000,000	Power Finance Corp. Ltd., Reg. S 3.75% 06/18/2024	IND	USD	4,117,960	1.21
2,000,000	Pelabuhan Indonesia III Persero PT, 144A 4.875% 10/01/2024	IDN	USD	2,202,290	0.65
1,733,000	NTPC Ltd., Reg. S 3.75% 04/03/2024	IND	USD	1,804,672	0.53
				13,390,328	3.94
	<b>TOTAL Bonds</b>			175,416,340	51.56
	<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING</b>			175,416,340	51.56
	TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET				
	<b>BONDS</b>				
	<b>Corporate Bonds</b>				
8,000,000	El Puerto de Liverpool SAB de CV, 144A 3.95% 10/02/2024	MEX	USD	8,345,080	2.45
8,000,000	Aker BP ASA, Reg. S 4.75% 06/15/2024	NOR	USD	8,226,686	2.42
7,000,000	Aviation Capital Group LLC, 144A 5.5% 12/15/2024	USA	USD	7,227,515	2.12
5,540,000	UniCredit SpA, Reg. S 7.83% 12/04/2023	ITA	USD	6,495,414	1.91
6,000,000	Navient Corp. 5.875% 10/25/2024	USA	USD	5,981,280	1.76
5,000,000	Howard Hughes Corp. (The), 144A 5.375% 03/15/2025	USA	USD	5,093,000	1.50
5,000,000	Nissan Motor Co. Ltd., Reg. S 3.043% 09/15/2023	JPN	USD	5,071,758	1.49
5,000,000	DAE Funding LLC, 144A 5% 08/01/2024	ARE	USD	5,037,500	1.48
5,000,000	Methanex Corp. 4.25% 12/01/2024	CAN	USD	5,031,250	1.48
4,000,000	Pilgrim's Pride Corp., 144A 5.75% 03/15/2025	USA	USD	4,080,000	1.20

**Franklin USD Diversified Bond Series I 2025 Fund** (continued)

(Currency - USD)

<b>Number of shares or face value</b>	<b>Description</b>	<b>Country code</b>	<b>Trading currency</b>	<b>Market value</b>	<b>% of net assets</b>
4,000,000	NOVA Chemicals Corp., 144A 4.875% 06/01/2024	CAN	USD	3,981,320	1.17
	Fortress Transportation and Infrastructure Investors LLC, 144A				
4,000,000	6.75% 03/15/2022	USA	USD	3,948,900	1.16
3,000,000	Teva Pharmaceutical Finance Netherlands III BV 7.125% 01/31/2025	ISR	USD	3,155,940	0.93
3,000,000	Mercer International, Inc. 7.375% 01/15/2025	DEU	USD	3,043,125	0.89
2,500,000	UniCredit SpA, 144A 7.83% 12/04/2023	ITA	USD	2,931,143	0.86
3,000,000	Univision Communications, Inc., 144A 5.125% 02/15/2025	USA	USD	2,848,125	0.84
2,000,000	Centene Corp. 4.75% 01/15/2025	USA	USD	2,058,100	0.61
2,000,000	Terex Corp., 144A 5.625% 02/01/2025	USA	USD	1,985,000	0.58
1,550,000	Aviation Capital Group LLC, Reg. S 3.875% 05/01/2023	USA	USD	1,534,945	0.45
	<b>TOTAL Bonds</b>			<b>86,076,081</b>	<b>25.30</b>
	<b>TOTAL TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET</b>			<b>86,076,081</b>	<b>25.30</b>
	<b>TOTAL INVESTMENTS</b>			<b>261,492,421</b>	<b>76.86</b>



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