



**FRANKLIN  
TEMPLETON**

# Unaudited Interim Report

1 April 2023 to 30 September 2023

# Franklin Templeton Funds

**An authorised open-ended investment company with variable capital**

**Franklin Mutual Shares Fund**

**FTF Brandywine Global Income Optimiser Fund**

**FTF Clearbridge Global Infrastructure Income Fund**

**FTF ClearBridge US Equity Income Fund**

**FTF ClearBridge US Value Fund**

**FTF Franklin Sterling Corporate Bond Fund**

**FTF Franklin UK Gilt Fund**

**FTF Franklin US Opportunities Fund**

**FTF Martin Currie Asia Unconstrained Fund**

**FTF Martin Currie Emerging Markets Fund**

**FTF Martin Currie European Unconstrained Fund**

**FTF Martin Currie Global Unconstrained Fund**

**FTF Martin Currie Japan Equity Fund**

**FTF Martin Currie UK Equity Income Fund**

**FTF Martin Currie UK Managers' Focus Fund**

**FTF Martin Currie UK Mid Cap Fund**

**FTF Martin Currie UK Opportunities Fund**

**FTF Martin Currie UK Rising Dividends Fund**

**FTF Martin Currie UK Smaller Companies Fund**

**FTF Martin Currie US Unconstrained Fund**

**FTF Royce US Smaller Companies Fund**

**FTF Templeton Global Emerging Markets Fund**

**FTF Templeton Global Leaders Fund**

**FTF Templeton Global Total Return Bond Fund**

**FTF Western Asset Global Multi Strategy Bond Fund**

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## GENERAL INFORMATION

### FRANKLIN TEMPLETON FUNDS

Head Office  
Cannon Place  
78 Cannon Street, London, EC4N 6HL

### AUTHORISED CORPORATE DIRECTOR, ADMINISTRATOR AND REGISTRAR

Franklin Templeton Fund Management Limited  
Cannon Place  
78 Cannon Street, London, EC4N 6HL

### DEPOSITARY

The Bank of New York Mellon (International) Limited  
160 Queen Victoria Street, London, EC4V 4LA

### INVESTMENT MANAGERS

Brandywine Global Investment Management, LLC  
1735 Market Street  
18th Floor  
Philadelphia, PA 19103, USA

ClearBridge Investments, LLC  
620, 8th Avenue  
New York, New York 10018, USA

ClearBridge Investments Limited  
Level 13, 35 Clarence Street  
Sydney NSW 2000, Australia

Franklin Advisers, Inc.  
One Franklin Parkway  
San Mateo, CA 94403, USA

Franklin Mutual Advisers, LLC  
101 John F. Kennedy Parkway, Short Hills, NJ 07078, USA

Franklin Templeton Fund Management Limited  
Cannon Place  
78 Cannon Street, London, EC4N 6HL

### INVESTMENT MANAGERS (Continued)

Franklin Templeton Investments (Asia) Limited  
17th Floor, Chater House,  
8 Connaught Road  
Hong Kong

Franklin Templeton Investment Management Limited  
Cannon Place  
78 Cannon Street, London, EC4N 6HL

Martin Currie Investment Management Limited  
5 Morrison Street  
Edinburgh, EH3 8BH

Royce & Associates, LP  
745 Fifth Avenue  
New York, New York 10151, USA

Templeton Asset Management Limited  
7 Temasek Boulevard  
38-03 Suntec Tower One, Singapore 038987

Templeton Global Advisors Limited  
P.O. Box N-7759 Lyford Cay, Nassau, Bahamas

Western Asset Management Company Limited  
10 Exchange Square, Primrose Street  
London, EC2A 2EN

### HEDGING AGENT

The Bank of New York Mellon  
240 Greenwich Street, 3rd Floor  
East, New York,  
New York 10286, USA

### INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP  
Atria One  
144 Morrison Street, Edinburgh, EH3 8EX

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\* Collectively these comprise, together with the Investment Reviews and Portfolio Statements within each Fund section, the Authorised Corporate Director's Report as required by the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("COLL").

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## REPORT OF THE AUTHORISED CORPORATE DIRECTOR

### THE COMPANY

Franklin Templeton Funds (the "Company") is registered in the United Kingdom and is an authorised open-ended investment company with variable capital. It has an umbrella structure and as at 30 September 2023 offered shares in 24 Funds: FTF Brandywine Global Income Optimiser Fund, FTF ClearBridge Global Infrastructure Income Fund, FTF ClearBridge US Equity Income Fund, FTF ClearBridge US Value Fund, FTF Franklin Sterling Corporate Bond Fund, FTF Franklin UK Gilt Fund, FTF Franklin US Opportunities Fund, FTF Martin Currie Asia Unconstrained Fund, FTF Martin Currie Emerging Markets Fund, FTF Martin Currie European Unconstrained Fund, FTF Martin Currie Global Unconstrained Fund, FTF Martin Currie Japan Equity Fund, FTF Martin Currie UK Equity Income Fund, FTF Martin Currie UK Managers' Focus Fund, FTF Martin Currie UK Mid Cap Fund, FTF Martin Currie UK Opportunities Fund, FTF Martin Currie UK Rising Dividends Fund, FTF Martin Currie UK Smaller Companies Fund, FTF Martin Currie US Unconstrained Fund, FTF Royce US Smaller Companies Fund, FTF Templeton Global Emerging Markets Fund, FTF Templeton Global Total Return Bond Fund, FTF Templeton Global Leaders Fund, and FTF Western Asset Global Multi Strategy Bond Fund. Franklin Mutual Shares Fund is no longer available for investment.

The Company's registered number is SI000002 and the address of its Head Office is Cannon Place, 78 Cannon Street, London, EC4N 6HL.

Under the Open-Ended Investment Companies Regulations (the "OEIC Regulations"), each Fund is a segregated portfolio of assets and those assets can only be used to meet the liabilities of, or claims against, that Fund. Whilst the provisions of the OEIC Regulations provide for segregated liability between Funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known whether a foreign court would give effect to the segregated liability and cross-investment provisions contained in regulations 11A and 11B of the OEIC Regulations. Therefore, it is not possible to be certain that the assets of a Fund will always be completely insulated from the liabilities of another Fund of the Company in every circumstance. Shareholders are not however liable for the debts of the Company. A Shareholder is not obliged to make any further payment to the Company after paying the purchase price of the Shares.

Franklin Templeton Fund Management Limited, the Authorised Corporate Director ("ACD"), is authorised and regulated by the Financial Conduct Authority ("FCA"). The ACD may authorise the creation of additional Funds in the future with different investment objectives, subject to amendment of the Prospectus and FCA approval. The ACD's principal activity is investment management.

This Interim Report includes statements which show the financial positions of each Fund. Separate investment reviews are provided for each Fund.

The investment objectives and policies of each Fund can be found within each respective Fund's report.

### DIRECTORS OF THE ACD

Nigel Anderson  
David Brigstocke (Independent Director)  
Fionnuala Doris (Independent Director)  
Martyn Gilbey  
William Jackson  
Henrietta Jowitt (Independent Director)  
Penelope Kyle  
Gwen Shaneyfelt  
Euan Wilson

### FUNDAMENTAL OR SIGNIFICANT CHANGES

There have been no fundamental or significant changes during the period.

### ACD's APPROVAL

This Interim Report has been approved by the ACD for issue to Shareholders and has been signed in accordance with the requirements of the FCA's Collective Investment Schemes Sourcebook ("COLL").

#### **William Jackson**

Director, Franklin Templeton Fund Management Limited, Authorised Corporate Director  
29 November 2023

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## STATEMENT OF AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

The Open-Ended Investment Companies Regulations 2001 and COLL require the Authorised Corporate Director to prepare financial statements for each accounting period which give a true and fair view of the financial position of the Company and of net income/expenditure and the net gains/losses on the property of the Company for the period. In preparing the financial statements the Authorised Corporate Director is required to:

- select suitable accounting policies and then apply them consistently;
- make adjustments and estimates that are reasonable and prudent;
- conform with the disclosure requirements of the Statement of Recommended Practice of Authorised Funds issued by the Investment Management Association in May 2014;
- comply with the disclosure requirements of the Prospectus and Instrument of Incorporation;
- follow generally accepted accounting principles and applicable accounting standards;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business;
- keep proper accounting records which enable it to demonstrate that the financial statements, as prepared, comply with the above requirements; and
- take reasonable steps for the prevention and detection of fraud and non-compliance with law or regulations.

The Authorised Corporate Director is responsible for the management of the Company in accordance with its Prospectus.

In accordance with rules of the Financial Conduct Authority, the Authorised Corporate Director has performed a detailed assessment of whether the Funds provide value to investors. The outcome of this assessment is included in a separate composite report which is published on our website at [www.franklintempleton.co.uk](http://www.franklintempleton.co.uk).

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## ACCOUNTING POLICIES

The interim financial statements have been prepared in accordance with FRS102 as modified by the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in May 2014.

The Statement of Recommended Practice for Authorised Funds (SORP) was updated by the Investment Management Association in May 2014 with limited scope amendments issued in June 2017. Therefore, this interim report has been prepared in the line with the latest SORP.

All accounting policies used to prepare the interim financial statements are as per the audited financial statements for the year ended 31 March 2023.

# Franklin Mutual Shares Fund

## INVESTMENT REVIEW

Franklin Mutual Shares Fund ceased trading on 31 January 2020.

## PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>BONDS 0.00% (0.00%)</b>		
	<b>NORTH AMERICA 0.00% (0.00%)</b>		
	<b>UNITED STATES OF AMERICA</b>		
102,000	Walter Energy Inc., Escrow Account, 0.000%, <sup>1,‡</sup> .....	-	0.00
	TOTAL - NORTH AMERICA	-	0.00
	TOTAL - BONDS	-	0.00
	<b>TOTAL VALUE OF INVESTMENTS</b> .....	<b>-</b>	<b>0.00</b>
	<b>OTHER ASSETS</b> .....	<b>-</b>	<b>0.00</b>
	<b>TOTAL NET ASSETS</b> .....	<b>-</b>	<b>0.00</b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

<sup>1</sup> These securities are fair valued by the manager.

<sup>‡</sup> This security is currently in an escrow position. An escrow account is an account established to hold monies pledged and to be used solely for a designed purpose, typically to pay debt service or an outstanding issue in an advance refunding.

# Franklin Mutual Shares Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	<u>30 September 2023</u>	<u>30 September 2023</u>	<u>30 September 2022</u>	<u>30 September 2022</u>
	£000	£000	£000	£000
<b>Income</b>				
Net capital gains		-		-
Revenue	1		2	
Expenses	-		-	
Interest payable and similar charges	-		-	
Net revenue before taxation	1		2	
Taxation	2		-	
Net revenue after taxation		3		2
<b>Total return before distributions</b>		<b>3</b>		<b>2</b>
Distributions		-		-
<b>Change in net assets attributable to shareholders</b>		<b>3</b>		<b>2</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	<u>30 September 2023</u>	<u>30 September 2023</u>	<u>30 September 2022</u>	<u>30 September 2022</u>
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		-		-
Amounts received on creation of shares	-		-	
Amounts paid on cancellation of shares	-		-	
		-		-
Change in net assets attributable to shareholders from investment activities (see above)		3		2
Retained distribution on accumulation shares		-		-
Change in provision for fund closure		(3)		(2)
<b>Closing net assets attributable to shareholders</b>		<b>-</b>		<b>-</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	<u>30 September 2023</u>	<u>31 March 2023</u>
	£000	£000
<b>Assets</b>		
Fixed assets		
Current assets		
Cash and bank balances	19	16
Total assets	19	16
<b>Liabilities</b>		
Creditors		
Bank overdrafts	(1)	-
Other creditors	(18)	(16)
Total liabilities	(19)	(16)
<b>Net assets attributable to shareholders</b>	<b>-</b>	<b>-</b>

# FTF Brandywine Global Income Optimiser Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund's primary aim is to generate income in all market conditions, over a full market cycle, typically a three to five-year period, after all fees and costs are deducted. The Fund also seeks to preserve capital.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least 80% of its assets in any of:

- Debt securities or bonds (a type of debt obligation) issued by governments, government-related or supranational organisations and corporations in any industry, anywhere in the world.
- Convertible bonds (a type of corporate bond which can be exchanged for shares in the same organisation).
- Bonds whose value is secured by mortgages or other assets (mortgage or asset-backed securities).
- Other collective investment schemes (which may include collective investment schemes operated by the ACD or any of its associates). The Fund may not invest more than 10% in other collective investment schemes.
- Derivatives (investments whose value is linked to another investment or the performance of another variable factor, such as interest rates, currencies of any country or indices), including synthetic short positions (a technique where the Fund seeks to profit from decreases in value of securities, indices, currencies and/or index rates).

The Fund's principal asset class is the bonds and debt securities referred to above, and the 80% exposure may solely be to these investments, or may be to a combination of these investments with the collective investment schemes and derivatives referred to above. The Fund may invest anywhere in the world including emerging markets. As part of this principal asset class, the Fund may invest in bonds issued by the Chinese government, Chinese government-related or supranational organisations and Chinese corporations.

The Fund may invest in bonds and debt securities which are Investment Grade as well as those which are not Investment Grade. Bonds and debt securities which are not Investment Grade generally pay a higher yield (interest rate) but are considered by rating agencies to be lower quality and carry more risk than Investment Grade bonds.

In selecting investments, the Investment Manager seeks to select what it considers to be the most attractive assets, focusing on sectors which have an appropriate risk profile and high yields after inflation. The Investment Manager assesses macro-economic conditions alongside the investment case for specific issuers, including looking at a wide range of factors at the level of the relevant company, its sector, and the broader economy, with the aim of identifying the most attractive investment opportunities. This approach is intended to enable the Investment Manager to best identify potential anomalies in valuations at a company and sector level. The Investment Manager will invest across the global investment universe of the Fund, and will invest flexibly in sectors and in assets with varying durations and investment quality to achieve the Fund's investment objective.

In addition, the Fund may also invest a proportion of its portfolio in other transferable securities, cash and cash equivalents and money market instruments. The Fund can use derivatives for efficient portfolio management (managing the Fund in a way that is designed to reduce risk or cost and/or generate extra income or growth), as well as for more speculative investment purposes, to help achieve the Fund's investment objectives.

At least 80% of the Fund's assets will be denominated in, or hedged back to, Sterling.

In selecting the majority of the Fund's investments, the Investment Manager assesses prospective investments against various environmental, social and governance ("ESG") factors, with a particular focus on environmental and social factors, for example:

- Environmental factors, such as deforestation and land usage, climate change vulnerability, greenhouse gas emissions and reliance on fossil fuel exports.
- Social factors, such as safety and environmental standards and breaches, product liabilities, breaches involving potential business risks, civil and political rights and private sector oversight and regulation.

Certain factors will be relevant to specific types of investment, depending on their features, for example government versus corporate bonds.

The Investment Manager applies these factors to establish a proprietary scoring methodology which it uses to screen the universe of potential investments for the Fund. The proprietary scoring methodology incorporates the Investment Manager's own research as well as the use of external data sources.

# FTF Brandywine Global Income Optimiser Fund

## INVESTMENT OBJECTIVE & POLICY *(Continued)*

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Investments which are in the bottom 10% of the scoring system are automatically excluded from the Fund's portfolio. Investments in the bottom 10%-20% may be included in the Fund's portfolio, but the Investment Manager continually monitors these investments and engages actively with issuers to seek improvements in environmental and social factors. If such improvement does not materialise in respect of corporate issuers, the Investment Manager may consider reducing or selling such investments. The majority of the Fund's portfolio is, and potential prospective holdings are, tracked and monitored for improvements and deterioration in environmental and social factors.

The Fund does not automatically exclude fossil fuels from the portfolio and such investments are subject to the above assessment criteria. Corporate issuers in the fossil fuel sector could therefore be included in the Fund's portfolio, if they score higher than the bottom 10% according to the Investment Manager's ESG scoring system.

# FTF Brandywine Global Income Optimiser Fund

## INVESTMENT REVIEW

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### PERFORMANCE

In the period 1 April 2023 through 30 September 2023, the FTF Brandywine Global Income Optimiser Fund (W Accumulation) made a return of -1.51%, compared to a return of 2.38% for the SONIA Compounded Index (GBP).

### OVERVIEW

The global income markets generated weak results over the six-months ended September 2023. The market was negatively impacted by a number of factors, including continued elevated inflation, central bank rate hikes, unrest in the banking industry, and several geopolitical issues. In an attempt to combat persistent inflation, central banks in the U.S. and abroad aggressively tightened monetary policy. The U.S. Federal Reserve ("Fed") raised rates at eleven meetings from March 2022 through July 2023 — pushing the federal funds rate to 5.25%-5.50% — a 22-year high. While the Fed paused from raising rates at its meeting in September 2023, it expects to raise rates one more time in 2023. Elsewhere, the European Central Bank ("ECB") raised interest rates to a record high of 4.00% in September 2023, its tenth hike in the last 14 months. Meanwhile, after 14 consecutive hikes, the Bank of England ("BoE") held its Bank Rate at 5.25% in September 2023, a 15-year high. Against this backdrop, government sovereign yields moved higher and bond prices declined (bond prices and yields generally move in the opposite direction). All told, the Bloomberg Global Aggregate Index returned -5.06% for the six months ended September 30 2023. Riskier fixed-income securities, including high-yield bond and emerging market debt, produced mixed results. Over the reporting period, the Bloomberg Global High Yield (currency hedged-USD) Index and the JPMorgan Emerging Markets Bond Index Global ("EMBI Global") returned 2.52% and -1.14%, respectively.

### SIGNIFICANT CHANGES

Overall portfolio duration was slightly higher at the end of the six-month period, ending at 6.5 years. The increase was primarily due to a reduction in the Japanese government bond short in the third quarter. The Fund rolled down the yield curve with a portion of its U.S. Treasury duration exposure over the six-month period. The position is now split between the 10-year part of the curve and the 30-year part of the curve. While we still believe that an economic soft-landing scenario is possible, hard-landing risks have increased. Therefore, we prefer the intermediate section of the curve for a soft-landing scenario, while we also continue to hold long-end (30-year) U.S. Treasury duration for a hard-landing scenario. Finally, the Fund removed its tactical allocation to German bunds over the period.

The Fund added to short-dated U.S. corporate credit exposure during the reporting period, primarily to shorter-dated, higher-quality high-yield securities given their favourable yield profile. The Fund remains invested in both investment-grade and higher-quality high-yield U.S. corporate credits. Given higher yields, we believe there is a large amount of cushion for spread widening to occur and still achieve a favourable total return. The Fund also took profits on its MBS exposure late in the second quarter of 2023.

In the second quarter of the year, the Fund slightly increased its emerging market sovereign local currency exposure. After these exposures did well, we then took some profits in these positions in the third quarter. These allocations had performed well year-to-date and spreads had narrowed versus U.S. Treasuries, which led us to take some profits.

Overall British sterling exposure was decreased over the period, ending at 83%. The Fund increased its U.S. dollar exposure given recent risk-off sentiment in the market. In addition, a Japanese yen position was initiated in the second quarter, as it reached new year-to-date lows. The Japanese economy continues to perform well and we believe the interest-rate differential between the U.S. and Japan is reaching its peak as Japan could soon change its ultra-accommodative monetary policy.

### POSITIVE/NEGATIVE CONTRIBUTORS

The Fund underperformed its benchmark for the six-month period. U.S. Treasury duration was the primary reason for underperformance, followed by small tactical allocations to UK gilts and German bunds. Although developed market duration was a top contributor in the first quarter of the year (prior to the beginning of the reporting period), in the second quarter yields moved higher given comments from Fed Chair Jerome Powell on the likelihood of additional rate hikes. In the third quarter, interest rates were higher as the market priced out rate cuts in 2024. Currency exposure to the Japanese yen also slightly detracted, as did a short to European high-yield bonds.

The top contributor for the six-month period was emerging market local currency sovereign bonds and their respective currencies, specifically to Brazil and Colombia. These countries were early in their rate hiking cycle and are showing signs of peak inflation. They significantly outperformed in the second quarter, but gave back some gains in the third quarter as the U.S. dollar was broadly higher. U.S. high yield corporate bonds also contributed as spreads narrowed and their relatively higher yields helped with interest rate volatility. U.S. investment-grade corporate bonds was only slightly positive for the six-month period. U.S. prime mortgage-backed securities ("MBS") exposure also generated a positive return given the resiliency in the U.S. residential housing market. Finally, a short to Japanese government bonds contributed to performance. Their yields moved higher in the third quarter as the market expects the Bank of Japan could change its negative interest rate policy.

# FTF Brandywine Global Income Optimiser Fund

## INVESTMENT REVIEW *(Continued)*

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### OUTLOOK

One of our key macro calls for 2023 was that U.S. inflation would fall toward the Fed's 2% target from 6% a year ago. This has played out, with core CPI averaging 0.2% month-over-month during the third quarter (2.4% annualized rate). We expect this trend to continue and believe that we are in the late stages of the business cycle, with current economic activity reflecting a renormalization after COVID-19 instead of a new normal.

We still like the optionality that bonds offer investors. There is a margin of safety from the recent duration led selloff — a higher starting point for yields provides a cushion should spreads and yields further widen — and high-quality sovereign bonds should outperform in a flight to safety. We also continue to like shorter duration corporate credits. Although rate volatility will most likely stay elevated in the short term, we believe yields offer investors compelling income to compensate for the bumpy ride. Spreads are reasonable, but when you combine that with the inversion of the Treasury curve, yields look compelling. We remain defensive, looking to take additional risk on an individual, idiosyncratic basis where opportunities arise.

**Michael Arno, Tracy Chen, CFA, Brian Kloss, Renato Latini, CFA Jack P. McIntyre & Anujeet Sareen**

Fund Managers

30 September 2023

# FTF Brandywine Global Income Optimiser Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>EB Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	110.93	108.11
Return before operating charges <sup>1</sup>	(1.76)	3.01
Operating charges <sup>2</sup>	(0.18)	(0.19)
Return after operating charges <sup>3</sup>	(1.94)	2.82
Distributions	(3.82)	(3.58)
Retained distributions on accumulation shares	3.82	3.58
Closing net asset value per share	108.99	110.93
After direct transaction costs of <sup>4</sup>	-	-
<b>Performance</b>		
Return after charges <sup>5</sup>	(1.75)%	2.61%
<b>Other information</b>		
Closing net asset value (£)	91,227,956	90,262,188
Closing number of shares	83,701,747	81,367,934
Operating charges ratio <sup>6</sup>	0.32%	0.33%
Direct transaction costs <sup>4</sup>	-	-
<b>Prices (p)</b>		
Highest share price	113.82	114.06
Lowest share price	108.58	101.96
<b>EB Income</b>		
	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	90.78	91.40
Return before operating charges <sup>1</sup>	(1.38)	2.49
Operating charges <sup>2</sup>	(0.15)	(0.16)
Return after operating charges <sup>3</sup>	(1.53)	2.33
Distributions	(3.10)	(2.95)
Closing net asset value per share	86.15	90.78
After direct transaction costs of <sup>4</sup>	-	-
<b>Performance</b>		
Return after charges <sup>5</sup>	(1.69)%	2.55%
<b>Other information</b>		
Closing net asset value (£)	24,670,152	27,602,408
Closing number of shares	28,636,087	30,405,360
Operating charges ratio <sup>6</sup>	0.32%	0.33%
Direct transaction costs <sup>4</sup>	-	-
<b>Prices (p)</b>		
Highest share price	92.40	94.84
Lowest share price <sup>7</sup>	87.40	86.20

# FTF Brandywine Global Income Optimiser Fund

## COMPARATIVE TABLES (Continued)

<u>S Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	111.11	108.34
Return before operating charges <sup>1</sup>	(1.75)	3.01
Operating charges <sup>2</sup>	(0.24)	(0.24)
Return after operating charges <sup>3</sup>	(1.99)	2.77
Distributions	(3.83)	(3.53)
Retained distributions on accumulation shares	3.83	3.53
Closing net asset value per share	109.12	111.11
After direct transaction costs of <sup>4</sup>	-	-
<b>Performance</b>		
Return after charges <sup>5</sup>	(1.79)%	2.56%
<b>Other information</b>		
Closing net asset value (£)	29,484,924	34,407,628
Closing number of shares	27,021,372	30,966,273
Operating charges ratio <sup>6</sup>	0.42%	0.43%
Direct transaction costs <sup>4</sup>	-	-
<b>Prices (p)</b>		
Highest share price	113.97	114.27
Lowest share price	108.71	102.17
<b>S Income</b>		
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	90.56	91.22
Return before operating charges <sup>1</sup>	(1.38)	2.48
Operating charges <sup>2</sup>	(0.19)	(0.20)
Return after operating charges <sup>3</sup>	(1.57)	2.28
Distributions	(3.09)	(2.94)
Closing net asset value per share	85.90	90.56
After direct transaction costs of <sup>4</sup>	-	-
<b>Performance</b>		
Return after charges <sup>5</sup>	(1.73)%	2.50%
<b>Other information</b>		
Closing net asset value (£)	116,056,218	124,595,891
Closing number of shares	135,107,637	137,581,201
Operating charges ratio <sup>6</sup>	0.42%	0.43%
Direct transaction costs <sup>4</sup>	-	-
<b>Prices (p)</b>		
Highest share price	92.15	94.62
Lowest share price <sup>7</sup>	87.15	86.03

# FTF Brandywine Global Income Optimiser Fund

## COMPARATIVE TABLES (Continued)

<u>W Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	120.08	117.20
Return before operating charges <sup>1</sup>	(1.90)	3.26
Operating charges <sup>2</sup>	(0.31)	(0.38)
Return after operating charges <sup>3</sup>	(2.21)	2.88
Distributions	(4.13)	(3.81)
Retained distributions on accumulation shares	4.13	3.81
Closing net asset value per share	117.87	120.08
After direct transaction costs of <sup>4</sup>	-	-
<b>Performance</b>		
Return after charges <sup>5</sup>	(1.84)%	2.46%
<b>Other information</b>		
Closing net asset value (£)	8,538,564	9,525,669
Closing number of shares	7,244,332	7,932,633
Operating charges ratio <sup>6</sup>	0.52%	0.62%
Direct transaction costs <sup>4</sup>	-	-
<b>Prices (p)</b>		
Highest share price	123.14	123.53
Lowest share price	117.42	110.51
<b>W Income</b>		
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	97.47	98.29
Return before operating charges <sup>1</sup>	(1.48)	2.66
Operating charges <sup>2</sup>	(0.25)	(0.31)
Return after operating charges <sup>3</sup>	(1.73)	2.35
Distributions	(3.33)	(3.17)
Closing net asset value per share	92.41	97.47
After direct transaction costs of <sup>4</sup>	-	-
<b>Performance</b>		
Return after charges <sup>5</sup>	(1.77)%	2.39%
<b>Other information</b>		
Closing net asset value (£)	160,411,023	170,675,850
Closing number of shares	173,588,092	175,098,852
Operating charges ratio <sup>6</sup>	0.52%	0.62%
Direct transaction costs <sup>4</sup>	-	-
<b>Prices (p)</b>		
Highest share price	99.16	101.87
Lowest share price <sup>7</sup>	93.75	92.67

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

# FTF Brandywine Global Income Optimiser Fund

## COMPARATIVE TABLES *(Continued)*

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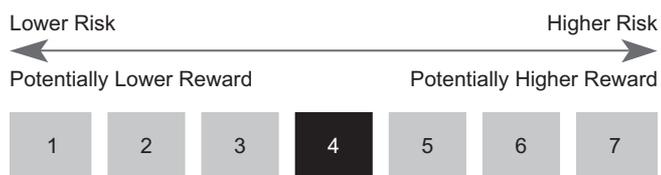
7 The “closing net asset value per share” figure is based on the bid-market prices at close of business, whilst the highest/lowest share prices are based on mid dealing prices (the price at which shares are sold).

\* The Fund launched on 23 September 2022. The opening net asset value per share is calculated from the merger price.

# FTF Brandywine Global Income Optimiser Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Brandywine Global Income Optimiser Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>BONDS 92.40% (88.60%)</b>		
	<b>ASIA 0.76% (3.94%)</b>		
	<b>JAPAN</b>		
4,350,000	Nissan Motor, 4.345%, 17/09/2027 .....	3,254	0.76
	TOTAL - ASIA	3,254	0.76
	<b>AUSTRALIA 0.17% (0.00%)</b>		
880,000	Mineral Resources, 9.250%, 01/10/2028 .....	727	0.17
	TOTAL - AUSTRALIA	727	0.17
	<b>CENTRAL AMERICA 1.66% (4.51%)</b>		
	<b>CAYMAN ISLANDS</b>		
2,360,000	Banco do Brasil, 3.250%, 30/09/2026 .....	1,775	0.41
2,000,000	Seagate HDD Cayman, 4.125%, 15/01/2031 .....	1,301	0.30
		3,076	0.71
	<b>MEXICO</b>		
1,920,000	Braskem Idesa SAPI, 7.450%, 15/11/2029 .....	980	0.23
	<b>PANAMA</b>		
4,429,980	AES Panama Generation, 4.375%, 31/05/2030 .....	3,092	0.72
	TOTAL - CENTRAL AMERICA	7,148	1.66
	<b>EUROPE - NON EU 1.49% (0.41%)</b>		
	<b>NORWAY</b>		
715,000	Var Energi, 7.500%, 15/01/2028 .....	601	0.14
1,460,000	Var Energi, 8.000%, 15/11/2032 .....	1,255	0.29
		1,856	0.43
	<b>SWITZERLAND</b>		
5,620,000	UBS, 6.537%, 12/08/2033 .....	4,556	1.06
	TOTAL - EUROPE - NON EU	6,412	1.49
	<b>EUROPE - OTHER EU 6.78% (3.18%)</b>		
	<b>IRELAND</b>		
2,360,000	Ardagh Packaging Finance / Ardagh USA, 4.125%, 15/08/2026 .....	1,768	0.41
2,165,000	Ardagh Packaging Finance / Ardagh USA, 5.250%, 15/08/2027 .....	1,480	0.34
2,230,000	Avolon Funding, 4.250%, 15/04/2026 .....	1,718	0.40
1,490,000	Avolon Funding, 6.375%, 04/05/2028 .....	1,200	0.28
4,250,000	GGAM Finance, 7.750%, 15/05/2026 .....	3,447	0.80
		9,613	2.23
	<b>ITALY</b>		
3,160,000	Telecom Italia SpA, 5.303%, 30/05/2024 .....	2,545	0.59
	<b>LUXEMBOURG</b>		
1,420,000	Altice Financing, 5.750%, 15/08/2029 .....	954	0.22
6,290,000	Altice France, 6.000%, 15/02/2028 .....	2,477	0.58
3,040,000	Amaggi Luxembourg International Sarl, 5.250%, 28/01/2028 .....	2,282	0.53
2,800,000	Connect Finco Sarl / Connect US Finco, 6.750%, 01/10/2026 .....	2,140	0.50
2,070,000	Kenbourne Invest, 6.875%, 26/11/2024 .....	1,404	0.33
4,360,000	Minerva Luxembourg, 8.875%, 13/09/2033 .....	3,543	0.82
3,260,000	Rumo Luxembourg Sarl, 4.200%, 18/01/2032 .....	2,083	0.48
		14,883	3.46
	<b>NETHERLANDS</b>		
1,810,000	Braskem Netherlands Finance, 8.500%, 12/01/2031 .....	1,469	0.34
940,000	NXP / NXP Funding / NXP USA, 3.400%, 01/05/2030 .....	659	0.16
		2,128	0.50
	TOTAL - EUROPE - OTHER EU	29,169	6.78

# FTF Brandywine Global Income Optimiser Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>MIDDLE EAST 1.44% (0.81%)</b>			
<b>ISRAEL</b>			
3,380,000	Energian Israel Finance, 4.500%, 30/03/2024 .....	2,761	0.64
2,190,000	Energian Israel Finance, 4.875%, 30/03/2026 .....	1,667	0.39
2,250,000	Leviathan Bond, 6.125%, 30/06/2025 .....	1,791	0.41
		<u>6,219</u>	<u>1.44</u>
	TOTAL - MIDDLE EAST	<u>6,219</u>	<u>1.44</u>
<b>NORTH AMERICA 65.03% (62.85%)</b>			
<b>BERMUDA</b>			
2,960,000	Bellemeade Re, FRN, 10.284%, 25/10/2030 .....	2,525	0.59
3,475,825	Oaktown Re VII, FRN, 6.915%, 25/04/2034 .....	2,848	0.66
1,178,000	RenaissanceRe, 5.750%, 05/06/2033 .....	908	0.21
		<u>6,281</u>	<u>1.46</u>
<b>CANADA</b>			
1,605,268	Air Canada Pass-Through Trust, 3.600%, 15/09/2028 .....	1,216	0.28
3,840,155	Air Canada Pass-Through Trust, 5.250%, 01/10/2030 .....	3,036	0.71
3,125,000	Antares, 2.750%, 15/01/2027 .....	2,168	0.50
2,860,000	Baytex Energy, 8.500%, 30/04/2030 .....	2,371	0.55
1,800,000	First Quantum Minerals, 7.500%, 01/04/2025 .....	1,472	0.34
2,890,000	First Quantum Minerals, 6.875%, 01/03/2026 .....	2,298	0.53
6,360,000	First Quantum Minerals, 6.875%, 15/10/2027 .....	4,999	1.16
5,980,000	Hudbay Minerals, 4.500%, 01/04/2026 .....	4,584	1.07
4,340,000	Taseko Mines, 7.000%, 15/02/2026 .....	3,322	0.77
3,640,000	Teine Energy, 6.875%, 15/04/2029 .....	2,736	0.64
		<u>28,202</u>	<u>6.55</u>
<b>UNITED STATES OF AMERICA</b>			
1,655,000	Aethon United BR / Aethon United Finance, 8.250%, 15/02/2026 .....	1,345	0.31
3,116,703	Alaska Airlines Pass-Through Trust, 4.800%, 15/02/2029 .....	2,449	0.57
570,000	AmeriTex HoldCo Intermediate, 10.250%, 15/10/2028 .....	462	0.11
4,865,000	Ares Capital, 3.250%, 15/07/2025 .....	3,734	0.87
3,971,000	Ares Capital, 2.150%, 15/07/2026 .....	2,855	0.66
1,775,000	Ares Capital, 2.875%, 15/06/2028 .....	1,217	0.28
1,210,000	Ashtead Capital, 5.500%, 11/08/2032 .....	916	0.21
12,280,000	Avis Budget Rental Car Funding AESOP, 2.650%, 20/03/2026 .....	9,564	2.22
3,575,000	Bain Capital Specialty Finance, 2.950%, 10/03/2026 .....	2,612	0.61
3,661,000	Black Knight InfoServ, 3.625%, 01/09/2028 .....	2,688	0.63
2,060,000	Blackstone Secured Lending Fund, 3.625%, 15/01/2026 .....	1,559	0.36
2,380,000	Blackstone Secured Lending Fund, 2.125%, 15/02/2027 .....	1,653	0.38
1,160,000	Blackstone Secured Lending Fund, 2.850%, 30/09/2028 .....	776	0.18
5,725,000	Block Financial, 3.875%, 15/08/2030 .....	4,033	0.94
2,600,000	Blue Owl Capital, 4.000%, 30/03/2025 .....	2,026	0.47
1,370,000	Blue Owl Credit Income, 7.750%, 16/09/2027 .....	1,114	0.26
3,460,000	Blue Owl Technology Finance, 4.750%, 15/12/2025 .....	2,622	0.61
6,620,000	Blue Owl Technology Finance, 3.750%, 17/06/2026 .....	4,814	1.12
1,410,000	Broadcom, 1.950%, 15/02/2028 .....	985	0.23
1,030,000	Capital One Financial, 6.312%, 08/06/2029 .....	825	0.19
1,130,000	Citigroup, 6.174%, 25/05/2034 .....	886	0.21
2,430,000	Civitas Resources, 8.375%, 01/07/2028 .....	2,026	0.47
3,370,000	CommScope, 7.125%, 01/07/2028 .....	1,615	0.38
1,415,000	Connecticut Avenue Trust, FRN, 9.780%, 25/07/2031 .....	1,230	0.29
1,259,732	Connecticut Avenue Trust, FRN, 9.530%, 25/07/2039 .....	1,066	0.25
4,275,000	Connecticut Avenue Trust, FRN, 8.829%, 25/10/2039 .....	3,531	0.82
5,610,000	Connecticut Avenue Trust, FRN, 9.079%, 25/02/2040 .....	4,785	1.11
3,135,000	Consolidated Communications, 5.000%, 01/10/2028 .....	1,907	0.44
1,832,000	Dell International / EMC, 6.020%, 15/06/2026 .....	1,507	0.35

# FTF Brandywine Global Income Optimiser Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>UNITED STATES OF AMERICA (Continued)</b>			
2,075,034	Delta Air Lines / SkyMiles IP, 4.500%, 20/10/2025 .....	1,651	0.38
4,738,000	DISH Network, 3.375%, 15/08/2026 .....	2,333	0.54
5,750,000	DISH Network, 11.750%, 15/11/2027 .....	4,747	1.10
4,000,000	Dream Finders Homes, 8.250%, 15/08/2028 .....	3,283	0.76
1,300,000	Enviri, 5.750%, 31/07/2027 .....	937	0.22
4,085,000	Fannie Mae Connecticut Avenue, FRN, 9.079%, 25/09/2029 .....	3,507	0.82
12,764,126	Fannie Mae Pool, 4.500%, 01/09/2052 .....	9,611	2.23
1,150,000	Ford Motor Credit, 3.664%, 08/09/2024 .....	912	0.21
1,650,000	Ford Motor Credit, 2.300%, 10/02/2025 .....	1,266	0.29
2,380,000	Ford Motor Credit, 6.950%, 10/06/2026 .....	1,948	0.45
3,697,915	Freddie Mac STACR REMIC Trust, FRN, 10.530%, 25/06/2050 .....	3,279	0.76
3,145,000	Freddie Mac Structured Agency Credit Risk Debt Notes, FRN, 9.315%, 25/11/2050 .....	2,727	0.63
830,000	Freedom Mortgage, 8.250%, 15/04/2025 .....	680	0.16
2,030,000	FS KKR Capital, 3.125%, 12/10/2028 .....	1,354	0.32
5,091,477	Ginnie Mae II Pool, 4.000%, 20/02/2053 .....	3,761	0.87
10,402,802	Ginnie Mae II Pool, 4.500%, 20/02/2053 .....	7,878	1.83
4,735,000	Golub Capital BDC, 2.500%, 24/08/2026 .....	3,400	0.79
890,000	Golub Capital BDC, 2.050%, 15/02/2027 .....	614	0.14
1,055,000	IRB, 7.000%, 15/06/2025 .....	865	0.20
3,576,000	Jabil, 3.600%, 15/01/2030 .....	2,537	0.59
1,065,000	JBS USA LUX / JBS USA Food / JBS USA Finance, 5.125%, 01/02/2028 .....	830	0.19
2,585,000	JBS USA LUX / JBS USA Food / JBS USA Finance, 5.500%, 15/01/2030 .....	1,977	0.46
320,000	KeyBank, FRN, 5.685%, 03/01/2024 .....	261	0.06
4,510,000	KeyBank, FRN, 5.664%, 14/06/2024 .....	3,636	0.85
1,340,000	Las Vegas Sands, 3.200%, 08/08/2024 .....	1,062	0.25
3,470,000	Level 3 Financing, 3.750%, 15/07/2029 .....	1,589	0.37
1,390,000	Liberty Interactive, 8.250%, 01/02/2030 .....	368	0.09
4,975,000	Main Street Capital, 3.000%, 14/07/2026 .....	3,602	0.84
2,236,000	MasTec, 4.500%, 15/08/2028 .....	1,648	0.38
3,408,000	MicroStrategy, 6.125%, 15/06/2028 .....	2,480	0.58
5,936,000	Mileage Plus / Mileage Plus Intellectual Property Assets, 6.500%, 20/06/2027 .....	4,820	1.12
9,950,000	New Fortress Energy, 6.750%, 15/09/2025 .....	7,781	1.81
2,235,000	New Fortress Energy, 6.500%, 30/09/2026 .....	1,686	0.39
1,930,000	Nexstar Media, 4.750%, 01/11/2028 .....	1,309	0.30
2,455,000	Nissan Motor Acceptance, 2.750%, 09/03/2028 .....	1,684	0.39
2,140,000	Outfront Media Capital / Outfront Media Capital, 4.250%, 15/01/2029 .....	1,391	0.32
3,475,000	PRA, 5.000%, 01/10/2029 .....	2,162	0.50
780,000	Regal Rexnord, 6.300%, 15/02/2030 .....	617	0.14
780,000	Regal Rexnord, 6.400%, 15/04/2033 .....	616	0.14
1,970,000	ROBLOX, 3.875%, 01/05/2030 .....	1,295	0.30
4,257,000	Sprint Spectrum / Sprint Spectrum II / Sprint Spectrum III, 5.152%, 20/09/2029 .....	3,426	0.80
1,610,000	STACR Trust, FRN, 9.630%, 25/02/2047 .....	1,402	0.33
2,850,000	Star Parent, 9.000%, 01/10/2030 .....	2,359	0.55
6,830,000	Synchrony Bank, 5.400%, 22/08/2025 .....	5,394	1.25
1,960,000	Synchrony Financial, 7.250%, 02/02/2033 .....	1,418	0.33
2,950,000	Talos Production, 12.000%, 15/01/2026 .....	2,520	0.59
2,100,000	Travel + Leisure, 6.625%, 31/07/2026 .....	1,674	0.39
5,550,000	Uber Technologies, 8.000%, 01/11/2026 .....	4,601	1.07
500,000	United States Cellular, 6.700%, 15/12/2033 .....	398	0.09
19,590,000	United States Treasury Floating Rate Notes, FRN, 4.931%, 31/01/2025 .....	16,074	3.74
23,530,000	United States Treasury Notes, 3.500%, 15/02/2033 .....	17,691	4.11
34,900,000	United States Treasury Strip Principal, 0.000%, 15/02/2052 .....	7,744	1.80
1,000,000	Univision Communications, 8.000%, 15/08/2028 .....	794	0.19
6,420,000	Valvoline, 4.250%, 15/02/2030 .....	5,165	1.20
3,930,000	Venture Global LNG, 8.125%, 01/06/2028 .....	3,188	0.74
3,880,000	Viasat, 5.625%, 15/04/2027 .....	2,754	0.64

# FTF Brandywine Global Income Optimiser Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>UNITED STATES OF AMERICA (Continued)</b>			
620,000	VICI Properties / VICI Note, 4.625%, 15/06/2025 .....	491	0.11
1,640,000	Vontier, 1.800%, 01/04/2026 .....	1,204	0.28
2,740,000	Wynn Las Vegas / Wynn Las Vegas Capital, 5.500%, 01/03/2025 .....	2,207	0.51
		<u>245,410</u>	<u>57.02</u>
	TOTAL - NORTH AMERICA	<u>279,893</u>	<u>65.03</u>
<b>SOUTH AMERICA 12.49% (10.94%)</b>			
<b>ARGENTINA</b>			
1,315,385	YPF, 9.000%, 12/02/2026 .....	1,042	0.24
<b>BRAZIL</b>			
104,150,000	Brazil Notas do Tesouro Nacional Serie F, 10.000%, 01/01/2033 .....	15,527	3.61
7,015,000	XP, 3.250%, 01/07/2026 .....	5,215	1.21
		<u>20,742</u>	<u>4.82</u>
<b>COLOMBIA</b>			
102,529,000,000	Colombian TES, 7.000%, 26/03/2031 .....	16,291	3.79
32,198,000,000	Colombian TES, 7.250%, 26/10/2050 .....	4,085	0.95
2,010,000	Ecopetrol, 4.125%, 16/01/2025 .....	1,590	0.37
1,470,000	Ecopetrol, 8.875%, 13/01/2033 .....	1,176	0.27
2,885,000	Geopark, 5.500%, 17/01/2027 .....	2,027	0.47
		<u>25,169</u>	<u>5.85</u>
<b>PERU</b>			
33,950,000	Peru Government Bond, 6.150%, 12/08/2032 .....	6,823	1.58
	TOTAL - SOUTH AMERICA	<u>53,776</u>	<u>12.49</u>
<b>UNITED KINGDOM 2.58% (1.96%)</b>			
2,360,000	Allwyn Entertainment Financing UK, 7.875%, 30/04/2029 .....	1,953	0.45
2,895,000	HSBC, 4.292%, 12/09/2026 .....	2,279	0.53
5,060,000	Nationwide Building Society, 5.750%, Perpetual .....	4,301	1.00
2,465,000	NatWest, 4.600%, Perpetual .....	1,337	0.31
1,850,000	Vmed O2 UK Financing I, 4.750%, 15/07/2031 .....	1,224	0.29
	TOTAL - UNITED KINGDOM	<u>11,094</u>	<u>2.58</u>
	TOTAL - BONDS	<u>397,692</u>	<u>92.40</u>
<b>DERIVATIVES (4.10%) (3.34%)</b>			
<b>SWAPS</b>			
(8,110,000)	Credit Default Swap Altice France SA/France, 5.000%, 20/12/2025 .....	(428)	(0.10)
(2,300,000)	Credit Default Swap Altice France SA/France, 5.000%, 20/06/2026 .....	(172)	(0.04)
(8,370,000)	Credit Default Swap Altice Luxembourg SA, 5.000%, 20/12/2025 .....	(2,550)	(0.59)
(57,005,100)	Credit Default Swap Markit CDX.HY.31, 5.000%, 20/12/2023 .....	38	0.01
(50,290,000)	Credit Default Swap Markit CDX.IG.34, 1.000%, 20/06/2025 .....	427	0.10
(9,665,000)	Credit Default Swap Markit ITRX, 1.000%, 20/12/2024 .....	78	0.02
(55,870,000)	Credit Default Swap Markit ITRX, 1.000%, 20/06/2025 .....	573	0.13
		<u>(2,034)</u>	<u>(0.47)</u>
<b>FORWARD CURRENCY CONTRACTS</b>			
BRL 52,800,000	Buy BRL 52,800,000 sell USD (10,682,853) dated 19/10/2023 .....	(130)	(0.03)
BRL 81,940,000	Buy BRL 81,940,000 sell USD (16,547,518) dated 19/10/2023 .....	(176)	(0.04)
BRL 60,360,000	Buy BRL 60,360,000 sell USD (12,330,446) dated 19/10/2023 .....	(245)	(0.06)
COP 28,840,000,000	Buy COP 28,840,000,000 sell USD (7,120,372) dated 30/10/2023 .....	(40)	(0.01)
EUR 14,700,000	Buy EUR 14,700,000 sell USD (16,262,095) dated 07/11/2023 .....	(553)	(0.13)
EUR 6,410,000	Buy EUR 6,410,000 sell USD (6,995,923) dated 07/11/2023 .....	(163)	(0.04)
GBP 371,650,000	Buy GBP 371,650,000 sell USD (467,303,419) dated 08/12/2023 .....	(11,054)	(2.57)
JPY 4,739,000,000	Buy JPY 4,739,000,000 sell USD (32,620,667) dated 15/12/2023 .....	(383)	(0.09)
MXN 200,000,000	Buy MXN 200,000,000 sell USD (11,625,271) dated 27/10/2023 .....	(135)	(0.03)
MXN 79,100,000	Buy MXN 79,100,000 sell USD (4,592,109) dated 27/10/2023 .....	(49)	(0.01)
MXN 133,900,000	Buy MXN 133,900,000 sell USD (7,822,404) dated 27/10/2023 .....	(122)	(0.03)

# FTF Brandywine Global Income Optimiser Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>FORWARD CURRENCY CONTRACTS (Continued)</b>			
USD 5,649,463	Buy USD 5,649,463 sell BRL (27,540,000) dated 19/10/2023 .....	131	0.03
USD 11,836,197	Buy USD 11,836,197 sell BRL (57,460,000) dated 19/10/2023 .....	314	0.07
USD 11,783,838	Buy USD 11,783,838 sell BRL (58,330,000) dated 19/10/2023 .....	129	0.03
USD 10,345,103	Buy USD 10,345,103 sell BRL (51,770,000) dated 19/10/2023 .....	21	0.01
USD 8,686,621	Buy USD 8,686,621 sell BRL (43,910,000) dated 19/10/2023 .....	(54)	(0.01)
USD 6,741,704	Buy USD 6,741,704 sell COP (28,840,000,000) dated 30/10/2023 .....	(270)	(0.06)
USD 12,088,506	Buy USD 12,088,506 sell GBP (9,600,000) dated 08/12/2023 .....	300	0.07
USD 25,909,261	Buy USD 25,909,261 sell GBP (20,880,000) dated 08/12/2023 .....	339	0.08
USD 13,109,291	Buy USD 13,109,291 sell MXN (225,000,000) dated 27/10/2023 .....	177	0.04
USD 10,688,256	Buy USD 10,688,256 sell MXN (188,000,000) dated 27/10/2023 .....	(70)	(0.01)
		<u>(12,033)</u>	<u>(2.79)</u>
<b>FUTURES</b>			
760	Canada 5 Year Bond Future December 2023 .....	(589)	(0.14)
(28)	Japan 10 Year Bond Future December 2023 .....	192	0.04
872	US 10 Year Ultra Future December 2023 .....	(2,238)	(0.52)
274	US Ultra Bond CBT Future December 2023 .....	(963)	(0.22)
		<u>(3,598)</u>	<u>(0.84)</u>
	TOTAL - DERIVATIVES	<u>(17,665)</u>	<u>(4.10)</u>
	<b>TOTAL VALUE OF INVESTMENTS</b> .....	<b><u>380,027</u></b>	<b><u>88.30</u></b>
	<b>OTHER ASSETS</b> .....	<b><u>50,362</u></b>	<b><u>11.70</u></b>
	<b>TOTAL NET ASSETS</b> .....	<b><u>430,389</u></b>	<b><u>100.00</u></b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

# FTF Brandywine Global Income Optimiser Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(22,142)		(13,470)
Revenue	16,268		489	
Expenses	(986)		(49)	
Interest payable and similar charges	(782)		-	
Net revenue before taxation	14,500		440	
Taxation	(35)		(25)	
Net revenue after taxation		14,465		415
<b>Total return before distributions</b>		<b>(7,677)</b>		<b>(13,055)</b>
Distributions		(15,451)		-
<b>Change in net assets attributable to shareholders</b>		<b>(23,128)</b>		<b>(13,055)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>457,070</b>		<b>-</b>
Amounts received on creation of shares	22,879		535,029	
Amounts paid on cancellation of shares	(30,971)		(23,184)	
		(8,092)		511,845
Dilution adjustment		1		-
Change in net assets attributable to shareholders from investment activities (see above)		(23,128)		(13,055)
Retained distribution on accumulation shares		4,538		-
<b>Closing net assets attributable to shareholders</b>		<b>430,389</b>		<b>498,790</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023*
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	400,411	422,702
Current assets		
Debtors	20,947	11,369
Cash and bank balances	51,171	35,072
Total assets	472,529	469,143
<b>Liabilities</b>		
Investment liabilities	(20,384)	(2,488)
Creditors		
Bank overdrafts	(2,030)	-
Distributions payable	(5,536)	(5,167)
Other creditors	(14,190)	(4,418)
Total liabilities	(42,140)	(12,073)
<b>Net assets attributable to shareholders</b>	<b>430,389</b>	<b>457,070</b>

\* The Fund launched on 23 September 2022.

# FTF Brandywine Global Income Optimiser Fund

## DISTRIBUTION TABLES For the period 1 April 2023 to 30 September 2023

### For the period 1 April 2023 to 30 June 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased in the period 1 April 2023 to 30 June 2023

	Net Income	Equalisation	30 June 2023 Pence per Share	30 June 2022 Pence per Share
	p	p	p	p
<b>EB Accumulation Shares</b>				
Group 1	1.8543	-	1.8543	-
Group 2	1.2728	0.5815	1.8543	-
<b>EB Income Shares</b>				
Group 1	1.5185	-	1.5185	-
Group 2	0.6239	0.8946	1.5185	-
<b>S Accumulation Shares</b>				
Group 1	1.8571	-	1.8571	-
Group 2	1.5725	0.2846	1.8571	-
<b>S Income Shares</b>				
Group 1	1.5144	-	1.5144	-
Group 2	0.8146	0.6998	1.5144	-
<b>W Accumulation Shares</b>				
Group 1	2.0068	-	2.0068	-
Group 2	1.6030	0.4038	2.0068	-
<b>W Income Shares</b>				
Group 1	1.6299	-	1.6299	-
Group 2	0.7329	0.8970	1.6299	-

### For the period 1 July 2023 to 30 September 2023

Group 1 Shares purchased prior to 1 July 2023

Group 2 Shares purchased in the period 1 July 2023 to 30 September 2023

	Net Income	Equalisation	30 September 2023 Pence per Share	30 September 2022 Pence per Share
	p	p	p	p
<b>EB Accumulation Shares</b>				
Group 1	1.9660	-	1.9660	-
Group 2	0.7341	1.2319	1.9660	-
<b>EB Income Shares</b>				
Group 1	1.5834	-	1.5834	-
Group 2	0.5960	0.9874	1.5834	-
<b>S Accumulation Shares</b>				
Group 1	1.9684	-	1.9684	-
Group 2	1.0987	0.8697	1.9684	-
<b>S Income Shares</b>				
Group 1	1.5789	-	1.5789	-
Group 2	0.3527	1.2262	1.5789	-
<b>W Accumulation Shares</b>				
Group 1	2.1266	-	2.1266	-
Group 2	1.2445	0.8821	2.1266	-
<b>W Income Shares</b>				
Group 1	1.6989	-	1.6989	-
Group 2	0.9324	0.7665	1.6989	-

### Equalisation

All shareholders, within each share category, receive the same distribution per share, although the distribution to shareholders who purchased shares during the distribution period (Group 2 holdings) contains an element of equalisation which is a repayment, at an average rate per share, of the amount of accrued net income which was included in the purchase price of such shares. As the nature of this payment is capital it is not subject to income tax but must be deducted from the purchase price in any capital gains tax computation on the sale of the shares.

# FTF Clearbridge Global Infrastructure Income Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund's primary aim is to generate income. The Fund also seeks to grow in value by more than the OECD G7 Inflation Index + 5.5%, from a combination of income and investment growth, over five year rolling periods, before all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least 80% of the Fund's assets in a diverse range of shares of companies listed on the stock exchanges of developed countries. Such companies will operate across a variety of infrastructure sub-sectors, which may include gas, electricity, water, toll-roads, airports, rail and communication, anywhere in the world.

Up to 20% of the Fund's assets may be invested in shares of companies, including depositary receipts (a type of listed security which enables investors to hold shares in foreign companies), issued by companies in emerging markets (countries whose economy and financial markets are still developing).

The Fund may also invest in recently issued shares of companies which are not yet listed but which are expected to be listed within 12 months of purchase.

The Fund can use derivatives for efficient portfolio management (managing the Fund in a way that is designed to reduce risk or cost and/or generate extra income or growth). However, the Fund can introduce more speculative use of derivatives in the future on 60 days' notice to investors. Derivatives are financial contracts whose value is linked to the price of another asset (e.g. indices, interest rates, share prices or currencies). Up to 10% of the Fund may be invested in derivatives and recently issued securities.

The Fund usually invests in shares of around 30 – 60 companies, although the Investment Manager may invest in fewer or more companies where it considers this to be in the interests of the Fund.

While the Fund will normally be invested in accordance with the limits set out above, the Investment Manager has the freedom to invest outside of these limits, sometimes significantly, where the Investment Manager considers that, due to prevailing market conditions, it is in the interests of the Fund and its shareholders to do so.

In addition, the Fund may also invest a proportion of its portfolio in other transferable securities, cash and cash equivalents, money market instruments and other collective investment schemes (which may include collective investment schemes operated by the ACD or any of its associates).

The Investment Manager selects securities based on their potential return and risk characteristics and role in achieving the Fund's investment objective. The portfolio is not constrained by any market index. The Investment Manager seeks to select infrastructure and utility companies which operate under a regulatory regime, or concession arrangement which provides the Investment Manager with a predictable cash flow and minimum yield. In considering yield, the Investment Manager looks at the dividend yield, the dividend per share expectations over a five year period, and the relationship of a company's dividends and cash flows, over an estimated holding period. The Investment Manager has the freedom to choose securities that their research indicates have the strongest potential to meet the Fund's objective. The Investment Manager integrates financial and non-financial considerations in its assessment of a prospective investment. In selecting the Fund's investments, the Investment Manager assesses prospective investments against various environmental, social and governance ("ESG") factors, depending on the sector of the investee company, for example:

- Environmental factors, such as a company's environmental practices, greenhouse gas emissions and energy efficiency initiatives.
- Social factors such as a company's approach to community relations, occupational health and safety and reliability and pricing of services.
- Governance factors such as the governance structure of the company, management incentives and the Fund's alignment with management, board and other shareholders of the company.

These ESG factors are used to inform the Investment Manager's wider assessment of the value and financial attractiveness of each potential investment and exposures are adjusted accordingly. In addition, the Investment Manager assesses an investment's ESG credentials both at the point of proposed investment and in terms of projected credentials in 5 years' time, allowing the Investment Manager to identify investments which are expected to improve ESG credentials over time. The Investment Manager also uses the results of these assessments to inform its strategy for engagement with companies included in the portfolio.

# FTF Clearbridge Global Infrastructure Income Fund

## INVESTMENT OBJECTIVE & POLICY *(Continued)*

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The Fund will not invest in:

- Companies that derive a significant amount of their revenues (10% or more) from the extraction or production of fossil fuels.
- Companies involved in the production, sale or distribution of dedicated and key components of anti-personnel mines and cluster munitions.
- Companies in the following non-infrastructure sectors: mining, explosives, alcohol and gambling.
- Companies that generate more than 5% of their revenues from tobacco.

# FTF Clearbridge Global Infrastructure Income Fund

## INVESTMENT REVIEW

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### PERFORMANCE

The FTF ClearBridge Global Infrastructure Income Fund (W Accumulation) returned -8.97% in sterling terms during the period under review, while its index, the OECD G7 Inflation Index +5.5%, returned 5.37%.

### OVERVIEW

From late July to September, the benchmark 10-year U.S. Treasury yield rose sharply on the back of positive economic surprises as well as heavy issuance. Similarly, benchmark 10-year government bond yields in the U.K. and Europe rose on the back of resilient economic data and as investors focused on the higher-for-longer rates narrative in financial markets.

Rate-sensitive utilities underperformed given the rise in real bond yields and the higher-for-longer narrative impacting financial markets. However, changes in bond yields generally have an immaterial impact on fundamental valuations for regulated utilities (the bulk of the portfolio weight) in the medium to long term. Global renewables sentiment weakened due to the 1) higher rates narrative impacting longer-duration stocks, 2) concerns on zero to negative power pricing during peak solar production during daytime, and 3) concerns on renewables valuations following recent private market transactions that were executed at lower multiples. Communications towers also underperformed; these assets generally have inflation pass through in their contracts but have less flexibility to pass through higher financing costs over the longer term. We believe the long-term growth in capital expenditure remains an attractive tailwind for U.S. communications towers as wireless carriers roll out 5G, however, and we are optimistic on the long-term value to come from the role of towers in 5G, as well as eventually 6G.

### SIGNIFICANT CHANGES

During the quarter, U.S. renewables utility NextEra Energy Partners (NEP) decreased its growth guidance from 12%–15% per year to 5%–8% through to 2026 and announced a reduction to its 2023 cash flow expectations. In turn, this impacted U.S. electric utility NextEra Energy' (NEE) share price as the reduction is a function of long-term interest rates, which investors now fear may be a problem for U.S. utilities more broadly.

NEP's announcement came as a big surprise to investors and caused investor fear of further cash flow issues at the company. While we believe current capital markets make it difficult for the partnership to grow at historical levels, we see the new dividend guidance as achievable (with milestones such as the sale of pipeline STX), with upside if it is able to reinstate the asset dropdown program. In the meantime, growth will come through its wind repowering investments, which allow it to replace existing wind assets with larger, more efficient equipment. This enables NEP to not only achieve a higher energy output, but also reset the duration of tax credits it receives from the government. These high-IRR (Internal Rate of Return) projects with more limited capital needs allow it to meet the new growth targets without access to equity markets.

It seems clear from the scenarios we've been running that the long-term value of NEP will likely be lower than our previous forecast. However, with the stock now trading at around half the value of its base assets (and accounting for no growth), even if you assume interest rates stay higher for longer, our view is that there is a margin of safety and, believing the stock to be oversold, we have been buyers.

Fears related to NEP have caused its sponsor NEE to lose its premium valuation status; it is now trading in line with the U.S. regulated utility peer group. The decision to change NEP's guidance has raised questions on management's credibility. However, we believe NEE's balance sheet and earnings sustainability remain intact despite the current environment.

Longer term, we continue to be constructive on renewables growth. While the current interest rate environment has negatively impacted projects that are being executed under low interest rates, going forward we believe renewable projects are now taking a higher cost of capital environment into account with limited impact to demand for renewable energy. We still believe NEE will remain a market leader in renewables development and be able to execute projects at healthy rates of return, and we added to our position during the quarter.

The energy price environment moderated meaningfully compared to the tightness in 2022, partially thanks to the abnormally warm winter in the Northern Hemisphere and demand softness. We reduced our exposure to the energy infrastructure sector through the sale of Williams Companies and through trimming Enbridge and TC Energy. To maintain some level of cyclical exposure due to the larger drop in midstream, we have diversified our cyclical exposure through a small position in U.S. rail. To support other purchases in the portfolio, we took some gains from West Japan Railway and reduced that position's size.

### POSITIVE/NEGATIVE CONTRIBUTORS

In absolute terms, the rail sector was the sole contributor over the period. By region, Latin America was the sole positive contributor. On an individual stock basis, U.S. electric utility Constellation Energy, Brazilian integrated electric utility CPFL Energia, Brazilian electric utility Eletrobras, U.S. rail operator Union Pacific and Spanish toll road Ferrovial were the main contributors.

# FTF Clearbridge Global Infrastructure Income Fund

## INVESTMENT REVIEW *(Continued)*

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In absolute terms, the renewables, gas and electric sectors were the main detractors. By region, the U.S. and Canada and Western Europe detracted the most. On an individual stock basis, the main detractors were U.S. electric utilities NextEra Energy Partners LP and NextEra Energy, Energias de Portugal (EDP), an integrated utility based on the Iberian Peninsula, U.S. communications company Crown Castle and Australian gas utility APA Group.

### OUTLOOK

Despite the volatility, we are maintaining our defensive positioning as we believe the impacts of tightened financial conditions will eventually affect the economy and ultimately corporate earnings (we are starting to see weakness in earnings from higher interest costs). The Fed and other central banks around the world have to maintain their hawkish position and have started to accept recessionary risks as increasingly likely but necessary to combat the stubbornly high inflation.

We maintain this defensive positioning despite the economy's robustness. There is a large debate on whether there will be a soft landing (no recession) versus a deeper recession. Monitoring the economic data will be key here, and the defensiveness of our portfolio positioning will depend on this. Although economic data and corporate earnings have been resilient, there is a clear dislocation between general market performance and what leading economic indicators are saying.

Our overarching view is that utilities can handle higher interest rates over the next couple of years. In a slowing growth environment, we believe their predictability of earnings makes utilities attractive compared to general equity sectors where earnings uncertainty results in less confidence among investors and higher volatility.

We think utilities valuations, like infrastructure broadly, are attractive now, and, versus the more optimistic consensus narrative, our contrarian view is that the risks of a deeper recession remain considerable. With the sector trading at attractive valuations, combined with idiosyncratic drivers such as a large project completion at Southern Company, wildfire recovery at Edison International and a reduction in regulatory risk at Entergy, we continue to look for opportunities to increase our weight in U.S. utilities.

**Nick Langley, Shane Hurst, Charles Hamieh & Daniel Chu CFA**

Fund Managers

30 September 2023

# FTF Clearbridge Global Infrastructure Income Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>EB Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	183.80	202.53
Return before operating charges <sup>1</sup>	(16.76)	(18.26)
Operating charges <sup>2</sup>	(0.42)	(0.47)
Return after operating charges <sup>3</sup>	(17.18)	(18.73)
Distributions	(5.16)	(4.02)
Retained distributions on accumulation shares	5.16	4.02
Closing net asset value per share	166.62	183.80
After direct transaction costs of <sup>4</sup>	(0.14)	(0.07)
<b>Performance</b>		
Return after charges <sup>5</sup>	(9.35)%	(9.25)%
<b>Other information</b>		
Closing net asset value (£)	9,660,312	11,185,473
Closing number of shares	5,797,759	6,085,792
Operating charges ratio <sup>6</sup>	0.47%	0.47%
Direct transaction costs <sup>4</sup>	0.08%	0.07%
<b>Prices (p)</b>		
Highest share price	188.37	201.60
Lowest share price <sup>7</sup>	166.89	175.00
<b>EB Income</b>		
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	131.54	148.15
Return before operating charges <sup>1</sup>	(11.84)	(13.34)
Operating charges <sup>2</sup>	(0.30)	(0.34)
Return after operating charges <sup>3</sup>	(12.14)	(13.68)
Distributions	(3.67)	(2.93)
Closing net asset value per share	115.73	131.54
After direct transaction costs of <sup>4</sup>	(0.10)	(0.05)
<b>Performance</b>		
Return after charges <sup>5</sup>	(9.23)%	(9.23)%
<b>Other information</b>		
Closing net asset value (£)	38,450,533	45,466,473
Closing number of shares	33,223,126	34,565,802
Operating charges ratio <sup>6</sup>	0.47%	0.47%
Direct transaction costs <sup>4</sup>	0.08%	0.07%
<b>Prices (p)</b>		
Highest share price	134.81	147.48
Lowest share price <sup>7</sup>	117.48	126.92

# FTF Clearbridge Global Infrastructure Income Fund

## COMPARATIVE TABLES (Continued)

<u>EB H2 Income</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	119.51	128.20
Return before operating charges <sup>1</sup>	(11.04)	(5.76)
Operating charges <sup>2</sup>	(0.27)	(0.31)
Return after operating charges <sup>3</sup>	(11.31)	(6.07)
Distributions	(3.38)	(2.62)
Closing net asset value per share	104.82	119.51
After direct transaction costs of <sup>4</sup>	(0.09)	(0.04)
<b>Performance</b>		
Return after charges <sup>5</sup>	(9.46)%	(4.73)%
<b>Other information</b>		
Closing net asset value (£)	56,846,480	54,531,277
Closing number of shares	54,234,510	45,630,637
Operating charges ratio <sup>6</sup>	0.47%	0.47%
Direct transaction costs <sup>4</sup>	0.08%	0.07%
<b>Prices (p)</b>		
Highest share price	123.21	127.63
Lowest share price <sup>7</sup>	106.77	110.82
<u>S Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	118.16	130.34
Return before operating charges <sup>1</sup>	(10.76)	(11.75)
Operating charges <sup>2</sup>	(0.39)	(0.43)
Return after operating charges <sup>3</sup>	(11.15)	(12.18)
Distributions	(3.32)	(2.59)
Retained distributions on accumulation shares	3.32	2.59
Closing net asset value per share	107.01	118.16
After direct transaction costs of <sup>4</sup>	(0.09)	(0.04)
<b>Performance</b>		
Return after charges <sup>5</sup>	(9.44)%	(9.34)%
<b>Other information</b>		
Closing net asset value (£)	52,068,459	48,056,053
Closing number of shares	48,658,795	40,671,878
Operating charges ratio <sup>6</sup>	0.67%	0.67%
Direct transaction costs <sup>4</sup>	0.08%	0.07%
<b>Prices (p)</b>		
Highest share price	121.09	129.74
Lowest share price <sup>7</sup>	107.18	112.60

# FTF Clearbridge Global Infrastructure Income Fund

## COMPARATIVE TABLES (Continued)

<u>S H2 Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	94.62	99.76
Return before operating charges <sup>1</sup>	(8.71)	(4.80)
Operating charges <sup>2</sup>	(0.31)	(0.34)
Return after operating charges <sup>3</sup>	(9.02)	(5.14)
Distributions	(2.70)	(2.05)
Retained distributions on accumulation shares	2.70	2.05
Closing net asset value per share	85.60	94.62
After direct transaction costs of <sup>4</sup>	(0.07)	(0.03)
<b>Performance</b>		
Return after charges <sup>5</sup>	(9.53)%	(5.15)%
<b>Other information</b>		
Closing net asset value (£)	78,821,347	61,865,288
Closing number of shares	92,079,371	65,386,148
Operating charges ratio <sup>6</sup>	0.67%	0.67%
Direct transaction costs <sup>4</sup>	0.08%	0.07%
<b>Prices (p)</b>		
Highest share price	97.54	99.32
Lowest share price <sup>7</sup>	86.01	86.24
<b>S Income</b>		
	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	106.77	120.39
Return before operating charges <sup>1</sup>	(9.59)	(10.84)
Operating charges <sup>2</sup>	(0.35)	(0.40)
Return after operating charges <sup>3</sup>	(9.94)	(11.24)
Distributions	(2.98)	(2.38)
Closing net asset value per share	93.85	106.77
After direct transaction costs of <sup>4</sup>	(0.08)	(0.04)
<b>Performance</b>		
Return after charges <sup>5</sup>	(9.31)%	(9.34)%
<b>Other information</b>		
Closing net asset value (£)	189,455,448	286,166,358
Closing number of shares	201,875,733	268,024,818
Operating charges ratio <sup>6</sup>	0.67%	0.67%
Direct transaction costs <sup>4</sup>	0.08%	0.07%
<b>Prices (p)</b>		
Highest share price	109.42	119.83
Lowest share price <sup>7</sup>	95.26	103.03

# FTF Clearbridge Global Infrastructure Income Fund

## COMPARATIVE TABLES (Continued)

<u>S H2 Income**</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	101.83	100.00
Return before operating charges <sup>1</sup>	(9.07)	2.25
Operating charges <sup>2</sup>	(0.31)	(0.03)
Return after operating charges <sup>3</sup>	(9.38)	2.22
Distributions	(2.88)	(0.39)
Closing net asset value per share	89.57	101.83
After direct transaction costs of <sup>4</sup>	(0.08)	-
<b>Performance</b>		
Return after charges <sup>5</sup>	(9.21)%	2.22%
<b>Other information</b>		
Closing net asset value (£)	7,669,004	21,486
Closing number of shares	8,562,407	21,099
Operating charges ratio <sup>6</sup>	0.62%	0.64%
Direct transaction costs <sup>4</sup>	0.08%	0.07%
<b>Prices (p)</b>		
Highest share price	104.98	101.80
Lowest share price <sup>7</sup>	91.16	97.26
<u>S Income USD^</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (c)</b>		
Opening net asset value per share	88.29	91.55
Return before operating charges <sup>1</sup>	(9.03)	(1.01)
Operating charges <sup>2</sup>	(0.29)	(0.32)
Return after operating charges <sup>3</sup>	(9.32)	(1.33)
Distributions	(2.49)	(1.93)
Closing net asset value per share	76.48	88.29
After direct transaction costs of <sup>4</sup>	(0.07)	(0.03)
<b>Performance</b>		
Return after charges <sup>5</sup>	(10.56)%	(1.45)%
<b>Other information</b>		
Closing net asset value (£)	311,395	288,913
Closing number of shares	496,966	404,961
Operating charges ratio <sup>6</sup>	0.67%	0.68%
Direct transaction costs <sup>4</sup>	0.08%	0.07%
<b>Prices (c)</b>		
Highest share price	91.31	92.56
Lowest share price <sup>7</sup>	78.03	77.36

# FTF Clearbridge Global Infrastructure Income Fund

## COMPARATIVE TABLES (Continued)

<u>W Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	179.09	197.70
Return before operating charges <sup>1</sup>	(16.31)	(17.82)
Operating charges <sup>2</sup>	(0.71)	(0.79)
Return after operating charges <sup>3</sup>	(17.02)	(18.61)
Distributions	(5.03)	(3.93)
Retained distributions on accumulation shares	5.03	3.93
Closing net asset value per share	162.07	179.09
After direct transaction costs of <sup>4</sup>	(0.14)	(0.07)
<b>Performance</b>		
Return after charges <sup>5</sup>	(9.50)%	(9.41)%
<b>Other information</b>		
Closing net asset value (£)	298,433,907	415,326,772
Closing number of shares	184,141,986	231,914,098
Operating charges ratio <sup>6</sup>	0.82%	0.81%
Direct transaction costs <sup>4</sup>	0.08%	0.07%
<b>Prices (p)</b>		
Highest share price	183.53	196.79
Lowest share price <sup>7</sup>	162.33	170.79
<b>W H2 Accumulation</b>		
	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	163.25	171.93
Return before operating charges <sup>1</sup>	(15.23)	(7.97)
Operating charges <sup>2</sup>	(0.66)	(0.71)
Return after operating charges <sup>3</sup>	(15.89)	(8.68)
Distributions	(4.65)	(3.53)
Retained distributions on accumulation shares	4.65	3.53
Closing net asset value per share	147.36	163.25
After direct transaction costs of <sup>4</sup>	(0.13)	(0.06)
<b>Performance</b>		
Return after charges <sup>5</sup>	(9.73)%	(5.05)%
<b>Other information</b>		
Closing net asset value (£)	133,388,296	111,606,837
Closing number of shares	90,517,134	68,364,867
Operating charges ratio <sup>6</sup>	0.82%	0.81%
Direct transaction costs <sup>4</sup>	0.08%	0.07%
<b>Prices (p)</b>		
Highest share price	168.08	171.15
Lowest share price <sup>7</sup>	148.07	148.61

# FTF Clearbridge Global Infrastructure Income Fund

## COMPARATIVE TABLES (Continued)

<u>W Income</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	128.24	144.72
Return before operating charges <sup>1</sup>	(11.52)	(13.04)
Operating charges <sup>2</sup>	(0.51)	(0.58)
Return after operating charges <sup>3</sup>	(12.03)	(13.62)
Distributions	(3.58)	(2.86)
Closing net asset value per share	112.63	128.24
After direct transaction costs of <sup>4</sup>	(0.10)	(0.05)
<b>Performance</b>		
Return after charges <sup>5</sup>	(9.38)%	(9.41)%
<b>Other information</b>		
Closing net asset value (£)	307,746,969	345,324,265
Closing number of shares	273,227,237	269,279,912
Operating charges ratio <sup>6</sup>	0.82%	0.81%
Direct transaction costs <sup>4</sup>	0.08%	0.07%
<b>Prices (p)</b>		
Highest share price	131.42	144.05
Lowest share price <sup>7</sup>	114.33	123.75
<u>W H2 Income</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	117.79	126.99
Return before operating charges <sup>1</sup>	(10.45)	(6.09)
Operating charges <sup>2</sup>	(0.47)	(0.52)
Return after operating charges <sup>3</sup>	(10.92)	(6.61)
Distributions	(3.33)	(2.59)
Closing net asset value per share	103.54	117.79
After direct transaction costs of <sup>4</sup>	(0.09)	(0.04)
<b>Performance</b>		
Return after charges <sup>5</sup>	(9.27)%	(5.21)%
<b>Other information</b>		
Closing net asset value (£)	60,242,570	114,707,504
Closing number of shares	58,182,491	97,384,439
Operating charges ratio <sup>6</sup>	0.82%	0.81%
Direct transaction costs <sup>4</sup>	0.08%	0.07%
<b>Prices (p)</b>		
Highest share price	121.38	126.42
Lowest share price <sup>7</sup>	105.46	109.57

# FTF Clearbridge Global Infrastructure Income Fund

## COMPARATIVE TABLES (Continued)

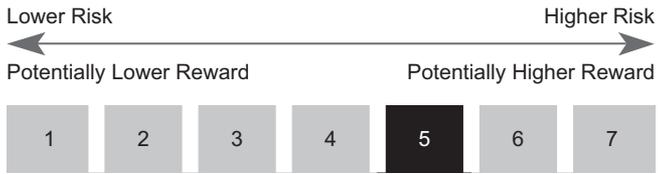
<u>S H2 Accumulation USD<sup>^, ***</sup></u>	<u>30 September 2023</u>
<b>Change in net assets per share (c)</b>	
Opening net asset value per share	1,000.00
Return before operating charges	(79.78)
Operating charges	(1.21)
Return after operating charges	(80.99)
Distributions	(10.10)
Retained distributions on accumulation shares	10.10
Closing net asset value per share	919.01
After direct transaction costs of	(0.30)
<b>Performance</b>	
Return after charges	(8.10)%
<b>Other information</b>	
Closing net asset value (£)	18,824
Closing number of shares	2,500
Operating charges ratio	0.62%
Direct transaction costs	0.08%
<b>Prices (c)</b>	
Highest share price	1,022.89
Lowest share price <sup>7</sup>	923.22

- 1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".
  - 2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.
  - 3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".
  - 4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.
  - 5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.
  - 6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.
  - 7 The "closing net asset value per share" figure is based on the bid-market prices at close of business, whilst the highest/lowest share prices are based on mid dealing prices (the price at which shares are sold).
- <sup>^</sup> US Dollar/Sterling exchange rate at close of business 30 September 2023 - 1.22055
- <sup>\*</sup> The Fund launched on 16 September 2022. The opening net asset value per share is calculated from the merger price. The Highest/Lowest share price is derived from the published NAV.
- <sup>\*\*</sup> This share class launched on 13 March 2023.
- <sup>\*\*\*</sup> This share class launched on 19 July 2023.

# FTF Clearbridge Global Infrastructure Income Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Clearbridge Global Infrastructure Income Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 98.48% (95.87%)</b>		
	<b>ASIA 4.55% (5.19%)</b>		
	<b>HONG KONG</b>		
9,313,898	China Resources Gas .....	22,312	1.81
	<b>JAPAN</b>		
996,221	West Japan Railway .....	33,786	2.74
	TOTAL - ASIA	56,098	4.55
	<b>AUSTRALIA 9.49% (8.85%)</b>		
10,157,944	APA .....	44,582	3.61
11,719,119	Atlas Arteria .....	34,144	2.77
5,717,703	Transurban .....	38,337	3.11
	TOTAL - AUSTRALIA	117,063	9.49
	<b>EUROPE - OTHER EU 22.68% (22.30%)</b>		
	<b>ITALY</b>		
10,426,529	Enel .....	52,639	4.27
3,324,756	Italgas .....	13,994	1.14
11,708,865	Snam .....	45,188	3.66
		111,821	9.07
	<b>PORTUGAL</b>		
17,936,979	EDP - Energias de Portugal .....	61,227	4.97
	<b>SPAIN</b>		
1,727,545	Enagas .....	23,490	1.90
1,309,468	Ferrovial .....	32,907	2.67
2,737,351	Iberdrola .....	25,158	2.04
1,935,551	Redeia .....	25,000	2.03
		106,555	8.64
	TOTAL - EUROPE - OTHER EU	279,603	22.68
	<b>NORTH AMERICA 44.86% (40.82%)</b>		
	<b>CANADA</b>		
446,625	Enbridge .....	12,190	0.99
2,116,426	Gibson Energy .....	24,714	2.01
1,509,109	Pembina Pipeline .....	37,275	3.02
890,962	TC Energy .....	25,192	2.04
		99,371	8.06
	<b>UNITED STATES OF AMERICA</b>		
271,779	American Tower .....	36,629	2.97
1,094,461	Brookfield Renewable .....	21,458	1.74
252,603	Constellation Energy .....	22,575	1.83
387,772	Crown Castle <sup>s</sup> .....	29,238	2.37
963,622	Edison International .....	49,975	4.05
555,944	Entergy .....	42,133	3.42
933,368	NextEra Energy .....	43,810	3.55
1,219,312	NextEra Energy Partners .....	29,660	2.40
1,687,755	OGE Energy .....	46,074	3.74
1,083,341	Public Service Enterprise .....	50,521	4.10
961,554	Southern .....	50,995	4.14
183,897	Union Pacific .....	30,690	2.49
		453,758	36.80
	TOTAL - NORTH AMERICA	553,129	44.86

# FTF Clearbridge Global Infrastructure Income Fund

## PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>SOUTH AMERICA 4.88% (4.47%)</b>			
<b>BRAZIL</b>			
9,017,245	CCR .....	19,026	1.54
3,722,743	Centrais Eletricas Brasileiras .....	24,570	1.99
3,023,396	CPFL Energia .....	16,634	1.35
		<u>60,230</u>	<u>4.88</u>
	TOTAL - SOUTH AMERICA	<u>60,230</u>	<u>4.88</u>
<b>UNITED KINGDOM 12.02% (14.24%)</b>			
5,734,307	National Grid .....	56,196	4.55
4,038,033	Pennon .....	23,643	1.92
1,135,967	Severn Trent .....	26,854	2.18
1,769,286	SSE .....	28,477	2.31
1,381,595	United Utilities .....	13,100	1.06
	TOTAL - UNITED KINGDOM	<u>148,270</u>	<u>12.02</u>
	TOTAL - EQUITIES	<u>1,214,393</u>	<u>98.48</u>
<b>HEDGED SHARE CLASS DERIVATIVES (0.79%) (0.16%)</b>			
<b>HEDGE FORWARD CURRENCY CONTRACTS</b>			
AUD 843,892	Buy AUD 843,892 sell GBP (438,846) dated 31/10/2023 .....	8	0.00
AUD 34,915	Buy AUD 34,915 sell GBP (18,167) dated 31/10/2023 .....	-	0.00
AUD 235,876	Buy AUD 235,876 sell GBP (122,733) dated 31/10/2023 .....	2	0.00
AUD 842,334	Buy AUD 842,334 sell GBP (438,293) dated 31/10/2023 .....	8	0.00
AUD 355,622	Buy AUD 355,622 sell GBP (185,041) dated 31/10/2023 .....	3	0.00
AUD 3,300,990	Buy AUD 3,300,990 sell GBP (1,710,149) dated 31/10/2023 .....	37	0.00
AUD 37,871	Buy AUD 37,871 sell GBP (19,442) dated 31/10/2023 .....	1	0.00
AUD 953,923	Buy AUD 953,923 sell GBP (489,719) dated 31/10/2023 .....	15	0.00
AUD 358,223	Buy AUD 358,223 sell GBP (180,308) dated 31/10/2023 .....	9	0.00
AUD 2,284,013	Buy AUD 2,284,013 sell GBP (1,171,302) dated 31/10/2023 .....	38	0.00
AUD 312,327	Buy AUD 312,327 sell GBP (158,780) dated 31/10/2023 .....	7	0.00
AUD 722,690	Buy AUD 722,690 sell GBP (369,881) dated 31/10/2023 .....	13	0.00
AUD 418,331	Buy AUD 418,331 sell GBP (214,107) dated 31/10/2023 .....	7	0.00
AUD 100	Buy AUD 100 sell USD (66) dated 31/10/2023 .....	-	0.00
AUD 128	Buy AUD 128 sell USD (83) dated 31/10/2023 .....	-	0.00
BRL 1,313,340	Buy BRL 1,313,340 sell GBP (212,245) dated 31/10/2023 .....	2	0.00
BRL 5,185,964	Buy BRL 5,185,964 sell GBP (826,353) dated 31/10/2023 .....	19	0.00
BRL 3,698,577	Buy BRL 3,698,577 sell GBP (577,610) dated 31/10/2023 .....	25	0.00
BRL 1,208,033	Buy BRL 1,208,033 sell GBP (188,659) dated 31/10/2023 .....	8	0.00
BRL 1,407,866	Buy BRL 1,407,866 sell GBP (219,868) dated 31/10/2023 .....	10	0.00
BRL 148,314	Buy BRL 148,314 sell GBP (23,162) dated 31/10/2023 .....	1	0.00
BRL 1,021,144	Buy BRL 1,021,144 sell GBP (159,473) dated 31/10/2023 .....	7	0.00
BRL 7,001,633	Buy BRL 7,001,633 sell GBP (1,089,721) dated 31/10/2023 .....	52	0.00
BRL 2,691,521	Buy BRL 2,691,521 sell GBP (418,903) dated 31/10/2023 .....	20	0.00
BRL 284,427	Buy BRL 284,427 sell GBP (44,268) dated 31/10/2023 .....	2	0.00
BRL 1,892,158	Buy BRL 1,892,158 sell GBP (294,492) dated 31/10/2023 .....	14	0.00
BRL 2,948,292	Buy BRL 2,948,292 sell GBP (458,866) dated 31/10/2023 .....	22	0.00
BRL 102,687	Buy BRL 102,687 sell GBP (16,386) dated 31/10/2023 .....	-	0.00
BRL 2,829,407	Buy BRL 2,829,407 sell GBP (451,493) dated 31/10/2023 .....	10	0.00
BRL 931,545	Buy BRL 931,545 sell GBP (148,648) dated 31/10/2023 .....	3	0.00
BRL 1,220,742	Buy BRL 1,220,742 sell GBP (194,796) dated 31/10/2023 .....	4	0.00
BRL 1,013,601	Buy BRL 1,013,601 sell GBP (161,742) dated 31/10/2023 .....	4	0.00
BRL 3,629,745	Buy BRL 3,629,745 sell GBP (580,870) dated 31/10/2023 .....	11	0.00
BRL 1,024,661	Buy BRL 1,024,661 sell GBP (163,976) dated 31/10/2023 .....	3	0.00
BRL 2,007,750	Buy BRL 2,007,750 sell GBP (321,299) dated 31/10/2023 .....	6	0.00
BRL 1,800,459	Buy BRL 1,800,459 sell GBP (291,348) dated 31/10/2023 .....	2	0.00
BRL 653,806	Buy BRL 653,806 sell GBP (105,798) dated 31/10/2023 .....	1	0.00
BRL 227	Buy BRL 227 sell USD (45) dated 31/10/2023 .....	-	0.00

# FTF Clearbridge Global Infrastructure Income Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>HEDGE FORWARD CURRENCY CONTRACTS (Continued)</b>			
BRL 840	Buy BRL 840 sell USD (167) dated 31/10/2023.....	-	0.00
BRL 311	Buy BRL 311 sell USD (63) dated 31/10/2023 .....	-	0.00
CAD 526,953	Buy CAD 526,953 sell GBP (310,012) dated 31/10/2023.....	9	0.00
CAD 2,432,482	Buy CAD 2,432,482 sell GBP (1,428,257) dated 31/10/2023.....	46	0.00
CAD 963,912	Buy CAD 963,912 sell GBP (562,135) dated 31/10/2023.....	22	0.00
CAD 102,183	Buy CAD 102,183 sell GBP (59,591) dated 31/10/2023 .....	2	0.00
CAD 1,016,099	Buy CAD 1,016,099 sell GBP (592,569) dated 31/10/2023 .....	23	0.00
CAD 1,239,487	Buy CAD 1,239,487 sell GBP (722,844) dated 31/10/2023 .....	28	0.00
CAD 2,513,950	Buy CAD 2,513,950 sell GBP (1,466,086) dated 31/10/2023.....	58	0.01
CAD 568,473	Buy CAD 568,473 sell GBP (330,276) dated 31/10/2023.....	14	0.00
CAD 59,779	Buy CAD 59,779 sell GBP (34,731) dated 31/10/2023 .....	2	0.00
CAD 1,482,696	Buy CAD 1,482,696 sell GBP (861,428) dated 31/10/2023 .....	37	0.00
CAD 729,205	Buy CAD 729,205 sell GBP (423,659) dated 31/10/2023.....	18	0.00
CAD 616,956	Buy CAD 616,956 sell GBP (358,444) dated 31/10/2023.....	16	0.00
CAD 388,368	Buy CAD 388,368 sell GBP (225,128) dated 31/10/2023.....	10	0.00
CAD 34,162	Buy CAD 34,162 sell GBP (19,865) dated 31/10/2023 .....	1	0.00
CAD 827,303	Buy CAD 827,303 sell GBP (481,063) dated 31/10/2023.....	20	0.00
CAD 329,882	Buy CAD 329,882 sell GBP (191,821) dated 31/10/2023.....	8	0.00
CAD 336,383	Buy CAD 336,383 sell GBP (195,601) dated 31/10/2023.....	8	0.00
CAD 1,273,594	Buy CAD 1,273,594 sell GBP (742,821) dated 31/10/2023 .....	29	0.00
CAD 360,675	Buy CAD 360,675 sell GBP (211,380) dated 31/10/2023.....	7	0.00
CAD 761,214	Buy CAD 761,214 sell GBP (446,123) dated 31/10/2023.....	15	0.00
CAD 442,202	Buy CAD 442,202 sell GBP (259,160) dated 31/10/2023.....	9	0.00
CAD 32,095	Buy CAD 32,095 sell GBP (19,588) dated 31/10/2023 .....	-	0.00
CAD 275,827	Buy CAD 275,827 sell GBP (168,338) dated 31/10/2023.....	(1)	0.00
CAD 302	Buy CAD 302 sell USD (225) dated 31/10/2023 .....	-	0.00
CAD 177	Buy CAD 177 sell USD (131) dated 31/10/2023 .....	-	0.00
CAD 101	Buy CAD 101 sell USD (75) dated 31/10/2023.....	-	0.00
CAD 97	Buy CAD 97 sell USD (72) dated 31/10/2023 .....	-	0.00
EUR 695,178	Buy EUR 695,178 sell GBP (599,188) dated 31/10/2023.....	4	0.00
EUR 1,669,814	Buy EUR 1,669,814 sell GBP (1,448,339) dated 31/10/2023.....	2	0.00
EUR 5,393,304	Buy EUR 5,393,304 sell GBP (4,677,966) dated 31/10/2023.....	5	0.00
EUR 65,161	Buy EUR 65,161 sell GBP (56,518) dated 31/10/2023 .....	-	0.00
EUR 547,092	Buy EUR 547,092 sell GBP (469,299) dated 31/10/2023.....	6	0.00
EUR 3,652,582	Buy EUR 3,652,582 sell GBP (3,133,208) dated 31/10/2023.....	38	0.00
EUR 1,573,784	Buy EUR 1,573,784 sell GBP (1,366,221) dated 31/10/2023.....	-	0.00
EUR 643,889	Buy EUR 643,889 sell GBP (560,346) dated 31/10/2023.....	(1)	0.00
EUR 799,530	Buy EUR 799,530 sell GBP (693,703) dated 31/10/2023.....	1	0.00
EUR 625,569	Buy EUR 625,569 sell GBP (542,767) dated 31/10/2023.....	-	0.00
EUR 53,839	Buy EUR 53,839 sell GBP (46,713) dated 31/10/2023 .....	-	0.00
EUR 194	Buy EUR 194 sell USD (215) dated 31/10/2023 .....	-	0.00
EUR 183	Buy EUR 183 sell USD (193) dated 31/10/2023 .....	-	0.00
GBP 7,993,899	Buy GBP 7,993,899 sell AUD (15,225,939) dated 31/10/2023 .....	(64)	0.00
GBP 4,121,612	Buy GBP 4,121,612 sell AUD (7,850,414) dated 31/10/2023 .....	(33)	0.00
GBP 14,793,888	Buy GBP 14,793,888 sell AUD (28,177,844) dated 31/10/2023 .....	(119)	(0.01)
GBP 6,337,036	Buy GBP 6,337,036 sell AUD (12,070,121) dated 31/10/2023 .....	(51)	0.00
GBP 600,519	Buy GBP 600,519 sell AUD (1,143,805) dated 31/10/2023 .....	(5)	0.00
GBP 1,426,174	Buy GBP 1,426,174 sell AUD (2,752,851) dated 31/10/2023 .....	(31)	0.00
GBP 300,310	Buy GBP 300,310 sell AUD (579,669) dated 31/10/2023.....	(6)	0.00
GBP 482,504	Buy GBP 482,504 sell AUD (934,475) dated 31/10/2023.....	(12)	0.00
GBP 298,337	Buy GBP 298,337 sell AUD (591,998) dated 31/10/2023.....	(15)	0.00
GBP 196,939	Buy GBP 196,939 sell AUD (385,256) dated 31/10/2023.....	(7)	0.00
GBP 209,891	Buy GBP 209,891 sell AUD (407,295) dated 31/10/2023.....	(6)	0.00
GBP 232,987	Buy GBP 232,987 sell AUD (452,113) dated 31/10/2023.....	(6)	0.00
GBP 384,740	Buy GBP 384,740 sell AUD (746,589) dated 31/10/2023.....	(10)	0.00
GBP 175,521	Buy GBP 175,521 sell AUD (340,599) dated 31/10/2023.....	(5)	0.00

# FTF Clearbridge Global Infrastructure Income Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>HEDGE FORWARD CURRENCY CONTRACTS (Continued)</b>			
GBP 257,628	Buy GBP 257,628 sell AUD (495,778) dated 31/10/2023.....	(5)	0.00
GBP 593,955	Buy GBP 593,955 sell AUD (1,143,007) dated 31/10/2023.....	(11)	0.00
GBP 353,584	Buy GBP 353,584 sell AUD (680,436) dated 31/10/2023.....	(6)	0.00
GBP 281,236	Buy GBP 281,236 sell AUD (541,211) dated 31/10/2023.....	(5)	0.00
GBP 41,336	Buy GBP 41,336 sell AUD (79,546) dated 31/10/2023.....	(1)	0.00
GBP 2,566,350	Buy GBP 2,566,350 sell BRL (15,801,875) dated 31/10/2023.....	(9)	0.00
GBP 9,211,517	Buy GBP 9,211,517 sell BRL (56,718,383) dated 31/10/2023.....	(33)	0.00
GBP 4,977,457	Buy GBP 4,977,457 sell BRL (30,647,860) dated 31/10/2023.....	(18)	0.00
GBP 3,945,800	Buy GBP 3,945,800 sell BRL (24,295,605) dated 31/10/2023.....	(14)	0.00
GBP 373,917	Buy GBP 373,917 sell BRL (2,302,332) dated 31/10/2023.....	(1)	0.00
GBP 402,385	Buy GBP 402,385 sell BRL (2,525,259) dated 31/10/2023.....	(9)	0.00
GBP 1,089,573	Buy GBP 1,089,573 sell BRL (6,837,860) dated 31/10/2023.....	(25)	0.00
GBP 12,461	Buy GBP 12,461 sell BRL (78,990) dated 31/10/2023.....	-	0.00
GBP 228,797	Buy GBP 228,797 sell BRL (1,428,040) dated 31/10/2023.....	(4)	0.00
GBP 310,192	Buy GBP 310,192 sell BRL (1,952,013) dated 31/10/2023.....	(8)	0.00
GBP 201,802	Buy GBP 201,802 sell BRL (1,257,925) dated 31/10/2023.....	(3)	0.00
GBP 168,956	Buy GBP 168,956 sell BRL (1,053,183) dated 31/10/2023.....	(3)	0.00
GBP 376,115	Buy GBP 376,115 sell BRL (2,344,500) dated 31/10/2023.....	(6)	0.00
GBP 15,606	Buy GBP 15,606 sell BRL (97,280) dated 31/10/2023.....	-	0.00
GBP 143,349	Buy GBP 143,349 sell BRL (893,559) dated 31/10/2023.....	(2)	0.00
GBP 116,823	Buy GBP 116,823 sell BRL (720,672) dated 31/10/2023.....	(1)	0.00
GBP 228,401	Buy GBP 228,401 sell BRL (1,387,861) dated 31/10/2023.....	2	0.00
GBP 13,081,671	Buy GBP 13,081,671 sell CAD (22,204,971) dated 31/10/2023.....	(377)	(0.03)
GBP 7,068,700	Buy GBP 7,068,700 sell CAD (11,998,488) dated 31/10/2023.....	(204)	(0.02)
GBP 5,603,600	Buy GBP 5,603,600 sell CAD (9,511,611) dated 31/10/2023.....	(162)	(0.01)
GBP 3,644,584	Buy GBP 3,644,584 sell CAD (6,186,357) dated 31/10/2023.....	(105)	(0.01)
GBP 531,016	Buy GBP 531,016 sell CAD (901,352) dated 31/10/2023.....	(15)	0.00
GBP 1,302,952	Buy GBP 1,302,952 sell CAD (2,219,073) dated 31/10/2023.....	(42)	0.00
GBP 280,770	Buy GBP 280,770 sell CAD (478,182) dated 31/10/2023.....	(9)	0.00
GBP 411,840	Buy GBP 411,840 sell CAD (702,026) dated 31/10/2023.....	(14)	0.00
GBP 2,385,117	Buy GBP 2,385,117 sell CAD (4,070,626) dated 31/10/2023.....	(82)	(0.01)
GBP 96,885	Buy GBP 96,885 sell CAD (165,352) dated 31/10/2023.....	(3)	0.00
GBP 1,129,789	Buy GBP 1,129,789 sell CAD (1,928,185) dated 31/10/2023.....	(39)	0.00
GBP 992,591	Buy GBP 992,591 sell CAD (1,694,032) dated 31/10/2023.....	(34)	0.00
GBP 1,339,808	Buy GBP 1,339,808 sell CAD (2,286,621) dated 31/10/2023.....	(46)	0.00
GBP 468,673	Buy GBP 468,673 sell CAD (807,777) dated 31/10/2023.....	(21)	0.00
GBP 155,367	Buy GBP 155,367 sell CAD (266,365) dated 31/10/2023.....	(6)	0.00
GBP 173,808	Buy GBP 173,808 sell CAD (297,981) dated 31/10/2023.....	(7)	0.00
GBP 18,313	Buy GBP 18,313 sell CAD (31,314) dated 31/10/2023.....	(1)	0.00
GBP 230,556	Buy GBP 230,556 sell CAD (394,710) dated 31/10/2023.....	(9)	0.00
GBP 20,463,004	Buy GBP 20,463,004 sell EUR (23,854,338) dated 31/10/2023.....	(250)	(0.02)
GBP 16,221,722	Buy GBP 16,221,722 sell EUR (18,910,148) dated 31/10/2023.....	(198)	(0.02)
GBP 37,869,806	Buy GBP 37,869,806 sell EUR (44,145,969) dated 31/10/2023.....	(463)	(0.04)
GBP 10,550,617	Buy GBP 10,550,617 sell EUR (12,299,171) dated 31/10/2023.....	(129)	(0.01)
GBP 1,537,224	Buy GBP 1,537,224 sell EUR (1,791,988) dated 31/10/2023.....	(19)	0.00
GBP 542,239	Buy GBP 542,239 sell EUR (625,157) dated 31/10/2023.....	(1)	0.00
GBP 3,544,403	Buy GBP 3,544,403 sell EUR (4,086,400) dated 31/10/2023.....	(4)	0.00
GBP 1,432,851	Buy GBP 1,432,851 sell EUR (1,649,960) dated 31/10/2023.....	-	0.00
GBP 487,487	Buy GBP 487,487 sell EUR (563,052) dated 31/10/2023.....	(1)	0.00
GBP 1,032,630	Buy GBP 1,032,630 sell EUR (1,207,467) dated 31/10/2023.....	(16)	0.00
GBP 3,138,094	Buy GBP 3,138,094 sell HKD (31,505,129) dated 31/10/2023.....	(159)	(0.01)
GBP 1,344,218	Buy GBP 1,344,218 sell HKD (13,495,381) dated 31/10/2023.....	(68)	(0.01)
GBP 1,695,673	Buy GBP 1,695,673 sell HKD (17,023,842) dated 31/10/2023.....	(86)	(0.01)
GBP 874,280	Buy GBP 874,280 sell HKD (8,777,403) dated 31/10/2023.....	(44)	0.00
GBP 127,383	Buy GBP 127,383 sell HKD (1,278,867) dated 31/10/2023.....	(6)	0.00
GBP 85,093	Buy GBP 85,093 sell HKD (848,573) dated 31/10/2023.....	(4)	0.00

# FTF Clearbridge Global Infrastructure Income Fund

## PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>HEDGE FORWARD CURRENCY CONTRACTS (Continued)</b>			
GBP 327,475	Buy GBP 327,475 sell HKD (3,265,661) dated 31/10/2023 .....	(14)	0.00
GBP 90,650	Buy GBP 90,650 sell HKD (900,824) dated 31/10/2023 .....	(4)	0.00
GBP 95,099	Buy GBP 95,099 sell HKD (948,081) dated 31/10/2023 .....	(4)	0.00
GBP 88,617	Buy GBP 88,617 sell HKD (859,192) dated 31/10/2023 .....	(1)	0.00
GBP 5,149	Buy GBP 5,149 sell HKD (49,925) dated 31/10/2023 .....	-	0.00
GBP 49,403	Buy GBP 49,403 sell HKD (478,986) dated 31/10/2023 .....	(1)	0.00
GBP 55,666	Buy GBP 55,666 sell HKD (539,715) dated 31/10/2023 .....	(1)	0.00
GBP 48,068	Buy GBP 48,068 sell HKD (466,041) dated 31/10/2023 .....	(1)	0.00
GBP 40,726	Buy GBP 40,726 sell HKD (394,515) dated 31/10/2023 .....	(1)	0.00
GBP 4,030	Buy GBP 4,030 sell HKD (39,036) dated 31/10/2023 .....	-	0.00
GBP 52,456	Buy GBP 52,456 sell HKD (508,134) dated 31/10/2023 .....	(1)	0.00
GBP 80,911	Buy GBP 80,911 sell HKD (783,780) dated 31/10/2023 .....	(1)	0.00
GBP 37,592	Buy GBP 37,592 sell HKD (364,156) dated 31/10/2023 .....	-	0.00
GBP 1,614,713	Buy GBP 1,614,713 sell JPY (289,072,243) dated 31/10/2023 .....	20	0.00
GBP 5,795,761	Buy GBP 5,795,761 sell JPY (1,037,580,017) dated 31/10/2023 .....	71	0.01
GBP 2,482,643	Buy GBP 2,482,643 sell JPY (444,452,632) dated 31/10/2023 .....	30	0.00
GBP 3,131,748	Buy GBP 3,131,748 sell JPY (560,657,860) dated 31/10/2023 .....	38	0.00
GBP 235,264	Buy GBP 235,264 sell JPY (42,117,806) dated 31/10/2023 .....	3	0.00
GBP 652,847	Buy GBP 652,847 sell JPY (116,787,664) dated 31/10/2023 .....	9	0.00
GBP 214,287	Buy GBP 214,287 sell JPY (38,333,682) dated 31/10/2023 .....	3	0.00
GBP 203,149	Buy GBP 203,149 sell JPY (36,569,432) dated 31/10/2023 .....	1	0.00
GBP 8,905	Buy GBP 8,905 sell JPY (1,603,018) dated 31/10/2023 .....	-	0.00
GBP 103,976	Buy GBP 103,976 sell JPY (18,883,570) dated 31/10/2023 .....	-	0.00
GBP 283,919	Buy GBP 283,919 sell JPY (51,564,056) dated 31/10/2023 .....	(1)	0.00
GBP 117,904	Buy GBP 117,904 sell JPY (21,413,142) dated 31/10/2023 .....	-	0.00
GBP 226,369	Buy GBP 226,369 sell JPY (41,738,467) dated 31/10/2023 .....	(4)	0.00
GBP 102,761	Buy GBP 102,761 sell JPY (18,762,897) dated 31/10/2023 .....	(1)	0.00
GBP 134,200	Buy GBP 134,200 sell JPY (24,503,332) dated 31/10/2023 .....	(1)	0.00
GBP 88,054	Buy GBP 88,054 sell JPY (16,052,775) dated 31/10/2023 .....	-	0.00
GBP 7,832	Buy GBP 7,832 sell JPY (1,427,809) dated 31/10/2023 .....	-	0.00
GBP 17,607,108	Buy GBP 17,607,108 sell USD (22,673,443) dated 31/10/2023 .....	(966)	(0.08)
GBP 34,149,123	Buy GBP 34,149,123 sell USD (43,975,319) dated 31/10/2023 .....	(1,874)	(0.15)
GBP 63,197,987	Buy GBP 63,197,987 sell USD (81,382,811) dated 31/10/2023 .....	(3,467)	(0.28)
GBP 27,071,176	Buy GBP 27,071,176 sell USD (34,860,738) dated 31/10/2023 .....	(1,485)	(0.12)
GBP 2,565,354	Buy GBP 2,565,354 sell USD (3,303,519) dated 31/10/2023 .....	(141)	(0.01)
GBP 89	Buy GBP 89 sell USD (115) dated 31/10/2023 .....	-	0.00
GBP 94	Buy GBP 94 sell USD (119) dated 31/10/2023 .....	-	0.00
GBP 141	Buy GBP 141 sell USD (179) dated 31/10/2023 .....	-	0.00
GBP 98	Buy GBP 98 sell USD (125) dated 31/10/2023 .....	-	0.00
GBP 5,997,221	Buy GBP 5,997,221 sell USD (7,662,264) dated 31/10/2023 .....	(279)	(0.02)
GBP 1,002,715	Buy GBP 1,002,715 sell USD (1,281,105) dated 31/10/2023 .....	(47)	0.00
GBP 1,538,265	Buy GBP 1,538,265 sell USD (1,958,076) dated 31/10/2023 .....	(66)	0.00
GBP 64	Buy GBP 64 sell USD (82) dated 31/10/2023 .....	-	0.00
GBP 2,188,837	Buy GBP 2,188,837 sell USD (2,791,879) dated 31/10/2023 .....	(98)	(0.01)
GBP 1,122,744	Buy GBP 1,122,744 sell USD (1,391,459) dated 31/10/2023 .....	(17)	0.00
GBP 113,158	Buy GBP 113,158 sell USD (140,241) dated 31/10/2023 .....	(2)	0.00
GBP 948,420	Buy GBP 948,420 sell USD (1,175,413) dated 31/10/2023 .....	(14)	0.00
GBP 79	Buy GBP 79 sell USD (96) dated 31/10/2023 .....	-	0.00
HKD 510,442	Buy HKD 510,442 sell GBP (51,517) dated 31/10/2023 .....	2	0.00
HKD 3,484,267	Buy HKD 3,484,267 sell GBP (349,396) dated 31/10/2023 .....	15	0.00
HKD 805,347	Buy HKD 805,347 sell GBP (81,279) dated 31/10/2023 .....	3	0.00
HKD 754,822	Buy HKD 754,822 sell GBP (76,180) dated 31/10/2023 .....	3	0.00
HKD 788,641	Buy HKD 788,641 sell GBP (79,593) dated 31/10/2023 .....	3	0.00
HKD 2,185,991	Buy HKD 2,185,991 sell GBP (220,620) dated 31/10/2023 .....	8	0.00
HKD 88,608	Buy HKD 88,608 sell GBP (8,943) dated 31/10/2023 .....	-	0.00
HKD 74,728	Buy HKD 74,728 sell GBP (7,502) dated 31/10/2023 .....	-	0.00

# FTF Clearbridge Global Infrastructure Income Fund

## PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>HEDGE FORWARD CURRENCY CONTRACTS (Continued)</b>			
HKD 717,996	Buy HKD 717,996 sell GBP (72,083) dated 31/10/2023 .....	3	0.00
HKD 1,628,720	Buy HKD 1,628,720 sell GBP (163,516) dated 31/10/2023 .....	7	0.00
HKD 715,254	Buy HKD 715,254 sell GBP (71,808) dated 31/10/2023 .....	3	0.00
HKD 1,009,489	Buy HKD 1,009,489 sell GBP (101,348) dated 31/10/2023 .....	4	0.00
HKD 2,280,759	Buy HKD 2,280,759 sell GBP (231,059) dated 31/10/2023 .....	8	0.00
HKD 830,618	Buy HKD 830,618 sell GBP (84,367) dated 31/10/2023 .....	3	0.00
HKD 462,969	Buy HKD 462,969 sell GBP (47,332) dated 31/10/2023 .....	1	0.00
HKD 314,800	Buy HKD 314,800 sell GBP (32,184) dated 31/10/2023 .....	1	0.00
HKD 32,988	Buy HKD 32,988 sell GBP (3,373) dated 31/10/2023 .....	-	0.00
HKD 759,421	Buy HKD 759,421 sell GBP (77,505) dated 31/10/2023 .....	2	0.00
HKD 395,057	Buy HKD 395,057 sell GBP (40,319) dated 31/10/2023 .....	1	0.00
HKD 1,213,688	Buy HKD 1,213,688 sell GBP (123,867) dated 31/10/2023 .....	3	0.00
HKD 317,270	Buy HKD 317,270 sell GBP (32,518) dated 31/10/2023 .....	1	0.00
HKD 34,823	Buy HKD 34,823 sell GBP (3,569) dated 31/10/2023 .....	-	0.00
HKD 117	Buy HKD 117 sell USD (15) dated 31/10/2023 .....	-	0.00
HKD 159	Buy HKD 159 sell USD (20) dated 31/10/2023 .....	-	0.00
HKD 221	Buy HKD 221 sell USD (28) dated 31/10/2023 .....	-	0.00
HKD 102	Buy HKD 102 sell USD (13) dated 31/10/2023 .....	-	0.00
HKD 99	Buy HKD 99 sell USD (13) dated 31/10/2023 .....	-	0.00
JPY 123,201,274	Buy JPY 123,201,274 sell GBP (688,699) dated 31/10/2023 .....	(9)	0.00
JPY 14,215,441	Buy JPY 14,215,441 sell GBP (78,022) dated 31/10/2023 .....	-	0.00
JPY 19,086,590	Buy JPY 19,086,590 sell GBP (104,706) dated 31/10/2023 .....	1	0.00
JPY 14,333,397	Buy JPY 14,333,397 sell GBP (78,631) dated 31/10/2023 .....	-	0.00
JPY 79,275,968	Buy JPY 79,275,968 sell GBP (432,608) dated 31/10/2023 .....	5	0.00
JPY 49,529,284	Buy JPY 49,529,284 sell GBP (271,143) dated 31/10/2023 .....	2	0.00
JPY 63,187,362	Buy JPY 63,187,362 sell GBP (345,912) dated 31/10/2023 .....	3	0.00
JPY 5,235,205	Buy JPY 5,235,205 sell GBP (28,660) dated 31/10/2023 .....	-	0.00
JPY 114,899,136	Buy JPY 114,899,136 sell GBP (629,003) dated 31/10/2023 .....	5	0.00
JPY 61,117,551	Buy JPY 61,117,551 sell GBP (334,581) dated 31/10/2023 .....	3	0.00
JPY 13,838,607	Buy JPY 13,838,607 sell GBP (76,026) dated 31/10/2023 .....	-	0.00
JPY 1,472,952	Buy JPY 1,472,952 sell GBP (8,092) dated 31/10/2023 .....	-	0.00
JPY 13,365,697	Buy JPY 13,365,697 sell GBP (73,428) dated 31/10/2023 .....	-	0.00
JPY 19,079,715	Buy JPY 19,079,715 sell GBP (104,819) dated 31/10/2023 .....	-	0.00
JPY 33,463,908	Buy JPY 33,463,908 sell GBP (183,843) dated 31/10/2023 .....	1	0.00
JPY 25,582,937	Buy JPY 25,582,937 sell GBP (140,445) dated 31/10/2023 .....	1	0.00
JPY 17,663,050	Buy JPY 17,663,050 sell GBP (96,646) dated 31/10/2023 .....	1	0.00
JPY 1,859,759	Buy JPY 1,859,759 sell GBP (10,176) dated 31/10/2023 .....	-	0.00
JPY 17,643,599	Buy JPY 17,643,599 sell GBP (96,540) dated 31/10/2023 .....	1	0.00
JPY 24,081,311	Buy JPY 24,081,311 sell GBP (131,765) dated 31/10/2023 .....	1	0.00
JPY 24,688,750	Buy JPY 24,688,750 sell GBP (135,789) dated 31/10/2023 .....	-	0.00
JPY 38,235,948	Buy JPY 38,235,948 sell GBP (210,654) dated 31/10/2023 .....	-	0.00
JPY 17,643,735	Buy JPY 17,643,735 sell GBP (97,205) dated 31/10/2023 .....	-	0.00
JPY 19,656,665	Buy JPY 19,656,665 sell GBP (108,295) dated 31/10/2023 .....	-	0.00
JPY 24,351,990	Buy JPY 24,351,990 sell GBP (134,163) dated 31/10/2023 .....	-	0.00
JPY 1,840,077	Buy JPY 1,840,077 sell GBP (10,138) dated 31/10/2023 .....	-	0.00
JPY 34,732,966	Buy JPY 34,732,966 sell GBP (191,252) dated 31/10/2023 .....	-	0.00
JPY 18,997,884	Buy JPY 18,997,884 sell GBP (104,609) dated 31/10/2023 .....	-	0.00
JPY 14,776,117	Buy JPY 14,776,117 sell GBP (81,362) dated 31/10/2023 .....	-	0.00
JPY 20,482,643	Buy JPY 20,482,643 sell GBP (112,784) dated 31/10/2023 .....	-	0.00
JPY 1,397,779	Buy JPY 1,397,779 sell GBP (7,697) dated 31/10/2023 .....	-	0.00
JPY 11,673	Buy JPY 11,673 sell USD (80) dated 31/10/2023 .....	-	0.00
JPY 4,236	Buy JPY 4,236 sell USD (29) dated 31/10/2023 .....	-	0.00
JPY 5,612	Buy JPY 5,612 sell USD (38) dated 31/10/2023 .....	-	0.00
JPY 5,814	Buy JPY 5,814 sell USD (39) dated 31/10/2023 .....	-	0.00
JPY 4,903	Buy JPY 4,903 sell USD (33) dated 31/10/2023 .....	-	0.00
USD 2,271	Buy USD 2,271 sell AUD (3,359) dated 31/10/2023 .....	-	0.00

# FTF Clearbridge Global Infrastructure Income Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>HEDGE FORWARD CURRENCY CONTRACTS (Continued)</b>			
USD 158	Buy USD 158 sell AUD (246) dated 31/10/2023 .....	-	0.00
USD 1,414	Buy USD 1,414 sell BRL (6,777) dated 31/10/2023.....	-	0.00
USD 59	Buy USD 59 sell BRL (290) dated 31/10/2023 .....	-	0.00
USD 2,008	Buy USD 2,008 sell CAD (2,647) dated 31/10/2023 .....	-	0.00
USD 358	Buy USD 358 sell CAD (481) dated 31/10/2023 .....	-	0.00
USD 68	Buy USD 68 sell CAD (92) dated 31/10/2023 .....	-	0.00
USD 5,813	Buy USD 5,813 sell EUR (5,263) dated 31/10/2023 .....	-	0.00
USD 2,993	Buy USD 2,993 sell GBP (2,325) dated 31/10/2023 .....	-	0.00
USD 1,713,759	Buy USD 1,713,759 sell GBP (1,331,747) dated 31/10/2023.....	72	0.01
USD 2,816,562	Buy USD 2,816,562 sell GBP (2,204,511) dated 31/10/2023 .....	103	0.01
USD 109,467	Buy USD 109,467 sell GBP (85,679) dated 31/10/2023 .....	4	0.00
USD 9,436,978	Buy USD 9,436,978 sell GBP (7,386,281) dated 31/10/2023.....	344	0.03
USD 97	Buy USD 97 sell GBP (77) dated 31/10/2023 .....	-	0.00
USD 189	Buy USD 189 sell GBP (149) dated 31/10/2023 .....	-	0.00
USD 8,503,845	Buy USD 8,503,845 sell GBP (6,736,217) dated 31/10/2023.....	230	0.02
USD 105,482	Buy USD 105,482 sell GBP (84,404) dated 31/10/2023 .....	2	0.00
USD 1,193,173	Buy USD 1,193,173 sell GBP (954,744) dated 31/10/2023 .....	23	0.00
USD 1,211,153	Buy USD 1,211,153 sell GBP (969,131) dated 31/10/2023 .....	23	0.00
USD 96	Buy USD 96 sell GBP (77) dated 31/10/2023 .....	-	0.00
USD 926,015	Buy USD 926,015 sell GBP (755,621) dated 31/10/2023.....	3	0.00
USD 93,096	Buy USD 93,096 sell GBP (75,966) dated 31/10/2023 .....	-	0.00
USD 977,926	Buy USD 977,926 sell GBP (797,980) dated 31/10/2023.....	3	0.00
USD 2,794,299	Buy USD 2,794,299 sell GBP (2,303,404) dated 31/10/2023.....	(14)	0.00
USD 1,350,563	Buy USD 1,350,563 sell GBP (1,113,300) dated 31/10/2023 .....	(7)	0.00
USD 1,912,369	Buy USD 1,912,369 sell GBP (1,564,687) dated 31/10/2023.....	2	0.00
USD 159,172	Buy USD 159,172 sell GBP (130,234) dated 31/10/2023.....	-	0.00
USD 1,668,162	Buy USD 1,668,162 sell GBP (1,364,879) dated 31/10/2023.....	2	0.00
USD 1,508,631	Buy USD 1,508,631 sell GBP (1,234,351) dated 31/10/2023.....	1	0.00
USD 1,130,883	Buy USD 1,130,883 sell GBP (925,281) dated 31/10/2023 .....	1	0.00
USD 855,487	Buy USD 855,487 sell GBP (700,420) dated 31/10/2023.....	-	0.00
USD 482	Buy USD 482 sell HKD (3,756) dated 31/10/2023.....	-	0.00
USD 19	Buy USD 19 sell HKD (151) dated 31/10/2023.....	-	0.00
USD 15	Buy USD 15 sell HKD (119) dated 31/10/2023.....	-	0.00
USD 890	Buy USD 890 sell JPY (123,697) dated 31/10/2023 .....	-	0.00
USD 31	Buy USD 31 sell JPY (4,402) dated 31/10/2023 .....	-	0.00
		<u>(9,785)</u>	<u>(0.79)</u>
	TOTAL - HEDGED SHARE CLASS DERIVATIVES	<u>(9,785)</u>	<u>(0.79)</u>
	<b>TOTAL VALUE OF INVESTMENTS .....</b>	<b><u>1,204,608</u></b>	<b><u>97.69</u></b>
	<b>OTHER ASSETS .....</b>	<b><u>28,506</u></b>	<b><u>2.31</u></b>
	<b>TOTAL NET ASSETS .....</b>	<b><u>1,233,114</u></b>	<b><u>100.00</u></b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

§ Real Estate Investment Trust ("REIT").

# FTF Clearbridge Global Infrastructure Income Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(167,588)		(141,007)
Revenue	44,762		1,839	
Expenses	(5,249)		(453)	
Interest payable and similar charges	(8)		-	
Net revenue before taxation	39,505		1,386	
Taxation	(4,561)		(163)	
Net revenue after taxation		34,944		1,223
<b>Total return before distributions</b>		<b>(132,644)</b>		<b>(139,784)</b>
Distributions		(40,207)		-
<b>Change in net assets attributable to shareholders</b>		<b>(172,851)</b>		<b>(139,784)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>1,494,547</b>		<b>-</b>
Amounts received on creation of shares	165,002		1,603,322	
Amounts paid on cancellation of shares	(271,582)		(1,884)	
		(106,580)		1,601,438
Dilution adjustment		29		2
Change in net assets attributable to shareholders from investment activities (see above)		(172,851)		(139,784)
Retained distribution on accumulation shares		17,969		-
<b>Closing net assets attributable to shareholders</b>		<b>1,233,114</b>		<b>1,461,656</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023*
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	1,216,290	1,437,546
Current assets		
Debtors	43,771	73,886
Cash and bank balances	47,461	34,776
Total assets	1,307,522	1,546,208
<b>Liabilities</b>		
Investment liabilities	(11,682)	(2,394)
Creditors		
Distributions payable	(8,890)	(8,261)
Other creditors	(53,836)	(41,006)
Total liabilities	(74,408)	(51,661)
<b>Net assets attributable to shareholders</b>	<b>1,233,114</b>	<b>1,494,547</b>

\* The Fund launched on 16 September 2022.

# FTF Clearbridge Global Infrastructure Income Fund

## DISTRIBUTION TABLES For the period 1 April 2023 to 30 September 2023

### For the period 1 April 2023 to 30 June 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased in the period 1 April 2023 to 30 June 2023

	Net Income	Equalisation	30 June 2023 Pence per Share	30 June 2022 Pence per Share
	p	p	p	p
<b>EB Accumulation Shares</b>				
Group 1	2.9552	-	2.9552	-
Group 2	2.7774	0.1778	2.9552	-
<b>EB Income Shares</b>				
Group 1	2.1153	-	2.1153	-
Group 2	1.1070	1.0083	2.1153	-
<b>EB H2 Income Shares</b>				
Group 1	1.9421	-	1.9421	-
Group 2	0.9661	0.9760	1.9421	-
<b>S Accumulation Shares</b>				
Group 1	1.9044	-	1.9044	-
Group 2	1.3749	0.5295	1.9044	-
<b>S H2 Accumulation Shares</b>				
Group 1	1.5410	-	1.5410	-
Group 2	1.5154	0.0256	1.5410	-
<b>S Income Shares</b>				
Group 1	1.7211	-	1.7211	-
Group 2	1.0656	0.6555	1.7211	-
<b>S H2 Income Shares</b>				
Group 1	1.6523	-	1.6523	-
Group 2	0.0986	1.5537	1.6523	-
<b>W Accumulation Shares</b>				
Group 1	2.8888	-	2.8888	-
Group 2	2.6870	0.2018	2.8888	-
<b>W H2 Accumulation Shares</b>				
Group 1	2.6585	-	2.6585	-
Group 2	2.4827	0.1758	2.6585	-
<b>W Income Shares</b>				
Group 1	2.0679	-	2.0679	-
Group 2	1.3043	0.7636	2.0679	-
<b>W H2 Income Shares</b>				
Group 1	1.9206	-	1.9206	-
Group 2	1.5216	0.3990	1.9206	-

	Net Income	Equalisation	30 June 2023 Cent per Share	30 June 2022 Cent per Share
	c	c	c	c
<b>S Income USD Shares</b>				
Group 1	1.4544	-	1.4544	-
Group 2	0.9511	0.5033	1.4544	-
<b>S H2 Accumulation USD Shares</b>				
Group 1	-	-	-	-
Group 2	-	-	-	-

# FTF Clearbridge Global Infrastructure Income Fund

## DISTRIBUTION TABLES (Continued)

For the period 1 July 2023 to 30 September 2023

Group 1 Shares purchased prior to 1 July 2023

Group 2 Shares purchased in the period 1 July 2023 to 30 September 2023

	Net Income	Equalisation	30 September 2023 Pence per Share	30 September 2022 Pence per Share
	p	p	p	p
<b>EB Accumulation Shares</b>				
Group 1	2.2095	-	2.2095	-
Group 2	0.8749	1.3346	2.2095	-
<b>EB Income Shares</b>				
Group 1	1.5552	-	1.5552	-
Group 2	0.5358	1.0194	1.5552	-
<b>EB H2 Income Shares</b>				
Group 1	1.4400	-	1.4400	-
Group 2	0.6192	0.8208	1.4400	-
<b>S Accumulation Shares</b>				
Group 1	1.4144	-	1.4144	-
Group 2	0.5537	0.8607	1.4144	-
<b>S H2 Accumulation Shares</b>				
Group 1	1.1555	-	1.1555	-
Group 2	0.5937	0.5618	1.1555	-
<b>S Income Shares</b>				
Group 1	1.2571	-	1.2571	-
Group 2	0.5721	0.6850	1.2571	-
<b>S H2 Income Shares</b>				
Group 1	1.2232	-	1.2232	-
Group 2	0.0783	1.1449	1.2232	-
<b>W Accumulation Shares</b>				
Group 1	2.1409	-	2.1409	-
Group 2	0.8118	1.3291	2.1409	-
<b>W H2 Accumulation Shares</b>				
Group 1	1.9887	-	1.9887	-
Group 2	1.2732	0.7155	1.9887	-
<b>W Income Shares</b>				
Group 1	1.5091	-	1.5091	-
Group 2	0.6089	0.9002	1.5091	-
<b>W H2 Income Shares</b>				
Group 1	1.4142	-	1.4142	-
Group 2	0.5821	0.8321	1.4142	-
	Net Income	Equalisation	30 September 2023 Cent per Share	30 September 2022 Cent per Share
	c	c	c	c
<b>S Income USD Shares</b>				
Group 1	1.0323	-	1.0323	-
Group 2	0.5401	0.4922	1.0323	-
<b>S H2 Accumulation USD Shares</b>				
Group 1	10.1044	-	10.1044	-
Group 2	10.1044	-	10.1044	-

### Equalisation

All shareholders, within each share category, receive the same distribution per share, although the distribution to shareholders who purchased shares during the distribution period (Group 2 holdings) contains an element of equalisation which is a repayment, at an average rate per share, of the amount of accrued net income which was included in the purchase price of such shares. As the nature of this payment is capital it is not subject to income tax but must be deducted from the purchase price in any capital gains tax computation on the sale of the shares.

# FTF ClearBridge US Equity Income Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value through a combination of income and investment growth, over rolling three to five year periods, after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least 70% of its assets in shares of US companies. The Fund typically invests in shares of around 40 – 60 companies of any sector or industry.

The Investment Manager seeks to select investments in companies which it believes may maintain or increase dividends or income distributions over the longer term. In particular, the Investment Manager seeks to select companies which it believes are undervalued (whether in respect of assets or earning power) by the rest of the market. Typically, the Investment Manager seeks to invest in companies with a market capitalisation of US\$ 10 billion or above, although the Investment Manager has the flexibility to invest in companies with a smaller market capitalisation if considered appropriate.

The Fund may also invest a proportion of its portfolio in preference securities (shares where dividends are paid out in advance of dividends due to other shares in the company), convertible securities (a type of corporate debt security which can be exchanged for common stock shares in the same organisation), and debt securities of any quality. The Fund may also invest in cash and cash equivalents, money-market instruments, and other collective investment schemes (which may include collective investment schemes operated by the ACD or any of its associates). The Fund may not invest more than 10% in other collective investment schemes.

Although the Investment Manager does not typically expect to use derivatives on a regular basis, the Fund can use derivatives for efficient portfolio management (managing the Fund in a way that is designed to reduce risk or cost and/or generate extra income or growth). However, the Fund can introduce more speculative use of derivatives in the future on 60 days' notice to investors. Derivatives are financial contracts whose value is linked to the price of another asset, e.g. indices, interest rates, share prices or currencies.

No more than 20% of the Fund's assets can be invested in investments issued by non-US companies.

In selecting investments, the Investment Manager also assesses each investee company against various environmental, social and governance ("ESG") factors, depending on the sector of the investee company, for example:

- Environmental factors, such as a company's environmental practices, greenhouse gas emissions, energy efficiency initiatives and climate risk.
- Social factors such as a company's approach to community relations, occupational health and safety, reliability and pricing of services and gender diversity.
- Governance factors such as the governance structure of the company, management incentives, corporate governance risk, data security and the Fund's alignment with management, board and other shareholders of the company.

These ESG factors are used to inform the Investment Manager's wider assessment of the value and financial attractiveness of each potential investment, and exposures are adjusted accordingly. The Investment Manager also uses the results of these assessments to inform its strategy for engagement with companies included in the portfolio.

The Fund will not invest in companies involved in the production, sale or distribution of dedicated and key components of antipersonnel mines and cluster munitions.

The Fund will not invest in companies that generate 5% or more of their revenues from tobacco.

# FTF ClearBridge US Equity Income Fund

## INVESTMENT REVIEW

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### PERFORMANCE

The FTF ClearBridge US Equity Income Fund (W Accumulation) increased by 5.62% in sterling terms during the period under review, while its index, the S&P 500 Index (GBP), rose in sterling terms by 6.55%.

### OVERVIEW

Stocks rose in the second quarter as investors took cooling inflation to mean the Federal Reserve's tightening cycle was nearing its conclusion. Simultaneously, enthusiasm grew over the potential applications and benefits of artificial intelligence. The result was positive overall market performance with gains particularly concentrated in a handful of mega cap companies in the information technology (IT), consumer discretionary and communication services sectors. Dubbed the "Magnificent Seven," Alphabet (Google), Amazon.com, Apple, Meta Platforms, Microsoft, Nvidia and Tesla, accounted for a substantial proportion of the market's returns through the first half of 2023.

Market leadership began to broaden by the beginning of the third quarter as better-than-expected corporate earnings and cooling inflation created a growing chorus for a soft landing for the economy (rather than a recession). This helped provide a bid to smaller and more economically sensitive stocks on the hopes that the Fed would reach its rate hike zenith, or even reduce rates, before the end of the year. However, late in the third quarter, a stubborn streak of inflationary data, continued economic resiliency and surging Treasury yields pushed out rate cut expectations further into the future to the benefit of value stocks.

### SIGNIFICANT CHANGES

Macro-driven weakness in the real estate sector created an attractive entry point in Public Storage, a leading player in the self-storage category. Public Storage has a strong balance sheet, produces excellent returns and has delivered solid growth in this attractive segment of the real estate industry. Amid persistent inflation, we like the company's ability to nimbly adjust rates and believe it should compound its already-strong upfront dividend well over time.

We also initiated a position in Gilead Sciences, a biopharmaceutical company that focuses primarily on antiviral drugs used in the treatment of HIV, hepatitis B, hepatitis C and influenza. Gilead Sciences has a leading franchise in HIV treatment, with a patent runway into the 2030s and with no real competitor. Offering a very steady stream of cash flows and with a modest valuation, the company is an attractive addition in an uncertain economic environment where market valuations are high.

We initiated a position in T-Mobile, a leading U.S. wireless carrier in the communication services sector. Superior spectrum holdings enable T-Mobile to provide better wireless service at a meaningful and sustainable cost advantage. T-Mobile will initiate a ~\$750 million dividend in the fourth quarter, followed by \$3 billion in dividends in 2024, with expected dividend growth of 10% annually. We expect margin expansion in the coming years to be driven by strong subscriber growth and the ability to offer customers higher-rate plans with more services. At the same time, we exited Verizon, whose business remains solid, but financial performance has weakened in recent quarters, and with T-Mobile's initiation of a dividend, we consider T-Mobile the better opportunity.

### POSITIVE/NEGATIVE CONTRIBUTORS

Stock selection in the financials and materials sectors and an energy overweight contributed the most to performance during the period. The leading individual contributors were Apollo Global Management, Microsoft, Williams Companies, Broadcom and Comcast.

Stock selection in the industrials, communication services, IT, energy and consumer discretionary sectors, overweights to the materials, consumer staples and utilities sectors and underweights to the IT, communication services and consumer discretionary sectors detracted from relative results. The main detractors from performance during the reporting period were RTX, United Parcel Service, American Tower, Diageo and Pfizer.

### OUTLOOK

As the year heads into the home stretch, we find ourselves cautious toward the broader markets but enthusiastic about the importance of dividend growers in the current environment. Earnings multiples remain elevated compared to long-term averages despite interest rates returning to normal, historic levels. There is such turbulence in the world that observers refer to the current period as a polycrisis. To our eyes the broad U.S. equity market remains complacent, even after its third-quarter setback.

# FTF ClearBridge US Equity Income Fund

## INVESTMENT REVIEW *(Continued)*

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We continue to emphasize investments in high-quality companies with strong balance sheets, recurring/predictable revenues, and pricing power. In a time where technology moves faster and is more disruptive than ever, we focus on companies with low risk of secular disintermediation. We expect continued robust dividend growth, driving income growth and protecting purchasing power for investors. We continue to assiduously sharpen our pencils on valuations, winnowing exposure to higher-multiple names at risk of derating and replacing them with securities whose valuations are more defensible in this new, more normal interest rate environment.

**Peter Vanderlee, CFA, Michael Clarfled, CFA & John Baldi**  
Fund Managers  
30 September 2023

# FTF ClearBridge US Equity Income Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>EB Income</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	127.80	131.59
Return before operating charges <sup>1</sup>	5.86	(1.96)
Operating charges <sup>2</sup>	(0.34)	(0.38)
Return after operating charges <sup>3</sup>	5.52	(2.34)
Distributions	(1.49)	(1.45)
Closing net asset value per share	131.83	127.80
After direct transaction costs of <sup>4</sup>	(0.01)	(0.01)
<b>Performance</b>		
Return after charges <sup>5</sup>	4.32%	(1.78)%
<b>Other information</b>		
Closing net asset value (£)	51,647,143	77,450,534
Closing number of shares	39,176,370	60,601,551
Operating charges ratio <sup>6</sup>	0.51%	0.56%
Direct transaction costs <sup>4</sup>	0.01%	0.02%
<b>Prices (p)</b>		
Highest share price	136.47	134.63
Lowest share price	127.00	123.65
<u>W Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	409.87	418.00
Return before operating charges <sup>1</sup>	18.75	(6.27)
Operating charges <sup>2</sup>	(1.74)	(1.86)
Return after operating charges <sup>3</sup>	17.01	(8.13)
Distributions	(4.77)	(4.60)
Retained distributions on accumulation shares	4.77	4.60
Closing net asset value per share	426.88	409.87
After direct transaction costs of <sup>4</sup>	(0.02)	(0.03)
<b>Performance</b>		
Return after charges <sup>5</sup>	4.15%	(1.94)%
<b>Other information</b>		
Closing net asset value (£)	6,696,337	6,614,841
Closing number of shares	1,568,684	1,613,874
Operating charges ratio <sup>6</sup>	0.82%	0.86%
Direct transaction costs <sup>4</sup>	0.01%	0.02%
<b>Prices (p)</b>		
Highest share price	439.48	427.42
Lowest share price	407.17	394.42

# FTF ClearBridge US Equity Income Fund

## COMPARATIVE TABLES (Continued)

<u>W Income</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	327.13	337.36
Return before operating charges <sup>1</sup>	14.98	(5.03)
Operating charges <sup>2</sup>	(1.38)	(1.49)
Return after operating charges <sup>3</sup>	13.60	(6.52)
Distributions	(3.80)	(3.71)
Closing net asset value per share	336.93	327.13
After direct transaction costs of <sup>4</sup>	(0.02)	(0.03)
<b>Performance</b>		
Return after charges <sup>5</sup>	4.16%	(1.93)%
<b>Other information</b>		
Closing net asset value (£)	18,750,957	18,275,793
Closing number of shares	5,565,225	5,586,760
Operating charges ratio <sup>6</sup>	0.82%	0.86%
Direct transaction costs <sup>4</sup>	0.01%	0.02%
<b>Prices (p)</b>		
Highest share price	348.83	344.95
Lowest share price	324.97	316.51
<b>W H2 Income</b>		
	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	231.48	215.35
Return before operating charges <sup>1</sup>	6.51	19.69
Operating charges <sup>2</sup>	(0.99)	(1.02)
Return after operating charges <sup>3</sup>	5.52	18.67
Distributions	(2.72)	(2.54)
Closing net asset value per share	234.28	231.48
After direct transaction costs of <sup>4</sup>	(0.01)	(0.02)
<b>Performance</b>		
Return after charges <sup>5</sup>	2.38%	8.67%
<b>Other information</b>		
Closing net asset value (£)	418,835	391,603
Closing number of shares	178,777	169,172
Operating charges ratio <sup>6</sup>	0.82%	0.86%
Direct transaction costs <sup>4</sup>	0.01%	0.02%
<b>Prices (p)</b>		
Highest share price	252.35	241.54
Lowest share price	231.39	206.67

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

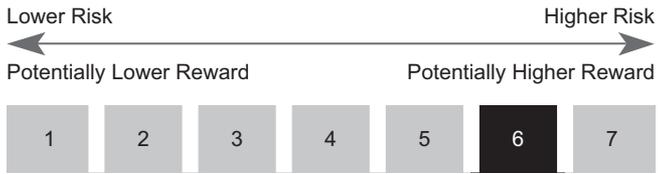
6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

\* The Fund launched on 23 September 2022. The opening net asset value per share is calculated from the merger price.

# FTF ClearBridge US Equity Income Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF ClearBridge US Equity Income Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 99.46% (98.51%)</b>		
	<b>AEROSPACE &amp; DEFENCE 3.03% (4.80%)</b>		
2,960	Northrop Grumman .....	1,068	1.38
21,626	RTX .....	1,275	1.65
		<u>2,343</u>	<u>3.03</u>
	<b>AUTOMOBILE MANUFACTURERS 0.86% (0.85%)</b>		
24,690	General Motors .....	667	0.86
	<b>BANKS 3.92% (3.68%)</b>		
18,754	JPMorgan Chase .....	2,229	2.88
8,005	PNC Financial Services .....	805	1.04
		<u>3,034</u>	<u>3.92</u>
	<b>BEVERAGES 3.52% (3.75%)</b>		
33,102	Coca-Cola .....	1,519	1.96
39,950	Diageo .....	1,212	1.56
		<u>2,731</u>	<u>3.52</u>
	<b>BIOTECHNOLOGY 1.04% (0.00%)</b>		
13,140	Gilead Sciences .....	807	1.04
	<b>BUILDING MATERIALS 2.48% (2.12%)</b>		
11,624	Vulcan Materials .....	1,923	2.48
	<b>CHEMICALS 5.06% (4.99%)</b>		
8,327	Linde .....	2,542	3.28
12,953	PPG Industries .....	1,378	1.78
		<u>3,920</u>	<u>5.06</u>
	<b>COMPUTERS 2.61% (3.77%)</b>		
14,400	Apple .....	2,020	2.61
	<b>COSMETICS &amp; PERSONAL CARE 2.18% (2.36%)</b>		
14,113	Procter & Gamble .....	1,687	2.18
	<b>DIVERSIFIED FINANCIAL SERVICES 9.40% (8.04%)</b>		
43,831	Apollo Global Management .....	3,224	4.16
11,610	Capital One Financial .....	923	1.19
3,897	Mastercard .....	1,264	1.63
9,967	Visa .....	1,879	2.42
		<u>7,290</u>	<u>9.40</u>
	<b>ELECTRICITY 4.75% (4.28%)</b>		
24,775	Edison International .....	1,285	1.66
42,980	Sempra .....	2,396	3.09
		<u>3,681</u>	<u>4.75</u>
	<b>ENVIRONMENTAL CONTROL 1.50% (1.62%)</b>		
9,305	Waste Management .....	1,162	1.50
	<b>FOOD PRODUCERS 4.11% (4.50%)</b>		
30,199	Mondelez International .....	1,717	2.22
15,791	Nestle .....	1,464	1.89
		<u>3,181</u>	<u>4.11</u>
	<b>HEALTHCARE SERVICES 2.21% (2.38%)</b>		
4,138	UnitedHealth .....	1,709	2.21
	<b>INSURANCE 4.63% (4.21%)</b>		
14,246	American International .....	707	0.91
22,002	MetLife .....	1,134	1.46
13,117	Travelers Cos .....	1,755	2.26
		<u>3,596</u>	<u>4.63</u>

# FTF ClearBridge US Equity Income Fund

## PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>MEDIA 3.89% (3.62%)</b>		
68,515	Comcast .....	2,489	3.21
7,950	Walt Disney .....	528	0.68
		<u>3,017</u>	<u>3.89</u>
	<b>MINING 0.95% (0.95%)</b>		
24,130	Freeport-McMoRan .....	737	0.95
	<b>OIL &amp; GAS PRODUCERS 4.00% (2.98%)</b>		
12,230	Chesapeake Energy .....	864	1.11
26,100	EQT .....	868	1.12
7,310	Pioneer Natural Resources .....	1,375	1.77
		<u>3,107</u>	<u>4.00</u>
	<b>PHARMACEUTICALS 8.35% (9.05%)</b>		
10,650	Becton Dickinson .....	2,256	2.91
12,595	Johnson & Johnson .....	1,608	2.07
20,114	Merck .....	1,697	2.19
33,690	Pfizer .....	915	1.18
		<u>6,476</u>	<u>8.35</u>
	<b>PIPELINES 6.48% (5.74%)</b>		
81,818	Enbridge .....	2,225	2.87
101,321	Williams Cos. ....	2,797	3.61
		<u>5,022</u>	<u>6.48</u>
	<b>REAL ESTATE INVESTMENT TRUSTS 4.40% (3.25%)</b>		
9,451	American Tower .....	1,274	1.64
9,670	AvalonBay Communities .....	1,361	1.76
3,600	Public Storage .....	777	1.00
		<u>3,412</u>	<u>4.40</u>
	<b>RETAIL 2.16% (2.12%)</b>		
6,766	Home Depot .....	1,674	2.16
	<b>SEMICONDUCTORS 3.79% (3.33%)</b>		
2,140	Broadcom .....	1,455	1.88
32,270	Intel .....	939	1.21
4,145	Texas Instruments .....	540	0.70
		<u>2,934</u>	<u>3.79</u>
	<b>SOFTWARE 8.45% (9.41%)</b>		
14,688	Microsoft .....	3,799	4.90
15,520	Oracle .....	1,347	1.74
13,260	SAP .....	1,405	1.81
		<u>6,551</u>	<u>8.45</u>
	<b>TELECOMMUNICATIONS 2.67% (3.01%)</b>		
19,950	Cisco Systems .....	878	1.13
10,410	T-Mobile US .....	1,194	1.54
		<u>2,072</u>	<u>2.67</u>
	<b>TRANSPORTATION 3.02% (3.70%)</b>		
8,319	Union Pacific .....	1,388	1.79
7,461	United Parcel Service .....	953	1.23
		<u>2,341</u>	<u>3.02</u>
	<b>TOTAL - EQUITIES</b>	<u>77,094</u>	<u>99.46</u>
	<b>HEDGE SHARE CLASS DERIVATIVES 0.00% (0.00%)</b>		
	<b>HEDGE FORWARD CURRENCY CONTRACTS</b>		
GBP 401,539	Buy GBP 401,539 sell USD (488,542) dated 31/10/2023 .....	1	0.00

# FTF ClearBridge US Equity Income Fund

## PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>HEDGE FORWARD CURRENCY CONTRACTS (Continued)</b>			
GBP 17,727	Buy GBP 17,727 sell USD (21,664) dated 31/10/2023 .....	-	0.00
USD 15	Buy USD 15 sell GBP (12) dated 31/10/2023 .....	-	0.00
		<u>1</u>	<u>0.00</u>
	TOTAL - HEDGE SHARE CLASS DERIVATIVES	<u>1</u>	<u>0.00</u>
	<b>TOTAL VALUE OF INVESTMENTS .....</b>	<b><u>77,095</u></b>	<b><u>99.46</u></b>
	<b>OTHER ASSETS .....</b>	<b><u>418</u></b>	<b><u>0.54</u></b>
	<b>TOTAL NET ASSETS .....</b>	<b><u>77,513</u></b>	<b><u>100.00</u></b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

# FTF ClearBridge US Equity Income Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Income</b>				
Net capital gains/(losses)		2,344		(2,345)
Revenue	1,085		38	
Expenses	(250)		(10)	
Interest payable and similar charges	-		-	
Net revenue before taxation	835		28	
Taxation	(168)		(6)	
Net revenue after taxation		667		22
<b>Total return before distributions</b>		<b>3,011</b>		<b>(2,323)</b>
Distributions		(914)		-
<b>Change in net assets attributable to shareholders</b>		<b>2,097</b>		<b>(2,323)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>102,733</b>		<b>-</b>
Amounts received on creation of shares	5,629		74,902	
Amounts paid on cancellation of shares	(33,028)		(218)	
		(27,399)		74,684
Dilution adjustment		8		-
Change in net assets attributable to shareholders from investment activities (see above)		2,097		(2,323)
Retained distribution on accumulation shares		74		-
<b>Closing net assets attributable to shareholders</b>		<b>77,513</b>		<b>72,361</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023*
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	77,095	101,203
Current assets		
Debtors	255	201
Cash and bank balances	1,023	2,459
Total assets	78,373	103,863
<b>Liabilities</b>		
Creditors		
Distributions payable	(399)	(524)
Other creditors	(461)	(606)
Total liabilities	(860)	(1,130)
<b>Net assets attributable to shareholders</b>	<b>77,513</b>	<b>102,733</b>

\* The Fund launched on 23 September 2022.

# FTF ClearBridge US Equity Income Fund

## DISTRIBUTION TABLES For the period 1 April 2023 to 30 September 2023

### For the period 1 April 2023 to 30 June 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased in the period 1 April 2023 to 30 June 2023

	Net Income	Equalisation	30 June 2023 Pence per Share	30 June 2022 Pence per Share
	p	p	p	p
<b>EB Income Shares</b>				
Group 1	0.7429	-	0.7429	-
Group 2	0.4997	0.2432	0.7429	-
<b>W Accumulation Shares</b>				
Group 1	2.3834	-	2.3834	-
Group 2	2.2438	0.1396	2.3834	-
<b>W Income Shares</b>				
Group 1	1.9029	-	1.9029	-
Group 2	0.2668	1.6361	1.9029	-
<b>W H2 Income Shares</b>				
Group 1	1.3598	-	1.3598	-
Group 2	0.6493	0.7105	1.3598	-

### For the period 1 July 2023 to 30 September 2023

Group 1 Shares purchased prior to 1 July 2023

Group 2 Shares purchased in the period 1 July 2023 to 30 September 2023

	Net Income	Equalisation	30 September 2023 Pence per Share	30 September 2022 Pence per Share
	p	p	p	p
<b>EB Income Shares</b>				
Group 1	0.7422	-	0.7422	-
Group 2	0.4407	0.3015	0.7422	-
<b>W Accumulation Shares</b>				
Group 1	2.3902	-	2.3902	-
Group 2	1.1643	1.2259	2.3902	-
<b>W Income Shares</b>				
Group 1	1.8972	-	1.8972	-
Group 2	1.0394	0.8578	1.8972	-
<b>W H2 Income Shares</b>				
Group 1	1.3627	-	1.3627	-
Group 2	0.3637	0.9990	1.3627	-

### Equalisation

All shareholders, within each share category, receive the same distribution per share, although the distribution to shareholders who purchased shares during the distribution period (Group 2 holdings) contains an element of equalisation which is a repayment, at an average rate per share, of the amount of accrued net income which was included in the purchase price of such shares. As the nature of this payment is capital it is not subject to income tax but must be deducted from the purchase price in any capital gains tax computation on the sale of the shares.

# FTF ClearBridge US Value Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value over a full market cycle (typically three to five years) after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least 80% of its assets in shares of US companies and debt instruments issued by US companies. Typically, the Investment Manager seeks to invest in companies with a market capitalisation of US\$ 5 billion or above, although the Investment Manager has the flexibility to invest in companies with a smaller market capitalisation if considered appropriate.

The Fund typically invests in investments issued by around 40 – 70 companies. At least 50% of the Fund's assets will be shares of companies (equity).

In addition, the Fund may also invest a proportion of its portfolio in other transferable securities, including those issued by non-US issuers, and warrants (a type of security which offers the right to purchase certain securities at a fixed price). The Fund may not invest more than 5% in warrants. The Fund may also invest in cash and cash equivalents, money market instruments and other collective investment schemes (which may include collective investment schemes operated by the ACD or any of its associates). The Fund may not invest more than 10% in other collective investment schemes.

The Fund can use derivatives for efficient portfolio management (managing the Fund in a way that is designed to reduce risk or cost and/or generate extra income or growth). However, the Fund can introduce more speculative use of derivatives in the future on 60 days' notice to investors. Derivatives are financial contracts whose value is linked to the price of another asset, e.g. indices, interest rates, share prices or currencies. Use of derivatives is typically expected to be limited.

The Investment Manager takes a long-term approach to investment. The Investment Manager selects investments in companies which it believes are undervalued by the rest of the market, and therefore seeks to purchase securities at discounts to the Investment Manager's assessment of a company's intrinsic value. Intrinsic value in this case is the value of the company measured on factors such as, but not limited to, the discounted value of its projected future free cash flows, the company's ability to earn returns on capital in excess of its cost of capital, private market values of similar companies and the costs to replicate the business.

In selecting investments, the Investment Manager also assesses each investee company against various environmental, social and governance ("ESG") factors, depending on the sector of the investee company, for example:

- Environmental factors, such as a company's environmental practices, greenhouse gas emissions, energy efficiency initiatives and climate risk.
- Social factors such as a company's approach to community relations, occupational health and safety, reliability and pricing of services and gender diversity.
- Governance factors such as the governance structure of the company, management incentives, corporate governance risk, data security and the Fund's alignment with management, board and other shareholders of the company.

These ESG factors are used to inform the Investment Manager's wider assessment of the value and financial attractiveness of each potential investment and exposures are adjusted accordingly. The Investment Manager also uses the results of these assessments to inform its strategy for engagement with companies included in the portfolio.

The Fund will not invest in companies involved in the production, sale or distribution of dedicated and key components of antipersonnel mines and cluster munitions.

The Fund will not invest in companies that generate 5% or more of their revenues from tobacco.

# FTF ClearBridge US Value Fund

## INVESTMENT REVIEW

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### PERFORMANCE

The FTF ClearBridge US Value Income Fund (W Accumulation) returned 8.22% in sterling terms for the period ended September 30, 2023, while its index, the Russell 1000 Value Index (GBP), returned 2.09% in sterling terms.

### OVERVIEW

Despite the March U.S. regional banking crisis in the first quarter, stocks rose in the second quarter as investors took cooling inflation to mean the Federal Reserve's tightening cycle was nearing its conclusion. Simultaneously, enthusiasm grew over the potential applications and benefits of artificial intelligence. The result was positive overall market performance with gains particularly concentrated in a handful of mega cap companies in the information technology (IT), consumer discretionary and communication services sectors. Dubbed the "Magnificent Seven," Alphabet (Google), Amazon.com, Apple, Meta Platforms, Microsoft, Nvidia and Tesla and, accounted for a substantial proportion of the market's returns through the first half of 2023.

Market leadership began to broaden by the beginning of the third quarter as better-than-expected corporate earnings and cooling inflation created a growing chorus for a soft landing for the economy (rather than a recession). This helped provide a bid to smaller and more economically sensitive stocks on the hopes that the Fed would reach its rate hike zenith, or even reduce rates, before the end of the year. However, late in the third quarter, a stubborn streak of inflationary data, continued economic resiliency and surging Treasury yields pushed out rate cut expectations further into the future to the benefit of value stocks.

### SIGNIFICANT CHANGES

During the reporting period, the Fund initiated several new positions, including Johnson & Johnson and Gilead Sciences in the health care sector, Apollo Global Management and AGNC Investment in the financial sector and Alibaba in the consumer discretionary sector. The Fund also closed several positions including Bank of America in the financial sector, Hess in the energy sector, Zimmer Biomet in the health care sector, American Electric Power in the utilities sector and MGM Resorts International in the consumer discretionary sector.

### POSITIVE/NEGATIVE CONTRIBUTORS

Relative to the S&P 500 Index benchmark, overall stock selection positively contributed to performance. Specifically, stock selection in the utilities, energy, financial, industrial and consumer staples sectors, an overweight allocation to the energy sector and underweight allocation to the consumer staples sector contributed the most to relative results. Overall sector allocation detracted from performance. Specifically, stock selection in the consumer discretionary, IT and health care sectors, overweight allocations to the utilities and materials sectors and underweight allocations to the IT and communication services sectors weighed results.

The leading individual contributors included Uber Technologies in the industrial sector, Meta Platforms in the communication services sector, Constellation Energy and Vistra in the utilities sector and EQT in the energy sector. The leading detractors from absolute performance included AES and American Electric Power in the utilities sector, Sensata Technologies in the industrial sector, Block in the financial sector and Las Vegas Sands in the consumer discretionary sector.

### OUTLOOK

Our hypothesis is that we have entered a new market cycle that favours value. However, one of the greatest pillars of our philosophy is intellectual honesty. If our hypothesis gets invalidated by new information, we will adapt as much as possible without violating our valuation discipline and incorporating the new information into our investment cases. Currently, we believe that by combining strong current fundamentals with very low valuations, the risk-reward of this new market cycle hypothesis appears to be extremely favourable.

**Samuel Peters, CFA & Jean Yu, CFA**

Fund Managers

30 September 2023

# FTF ClearBridge US Value Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>W Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	349.82	355.29
Return before operating charges <sup>1</sup>	25.11	(3.75)
Operating charges <sup>2</sup>	(1.28)	(1.72)
Return after operating charges <sup>3</sup>	23.83	(5.47)
Distributions	-	(1.31)
Retained distributions on accumulation shares	-	1.31
Closing net asset value per share	373.65	349.82
After direct transaction costs of <sup>4</sup>	(0.04)	(0.03)
<b>Performance</b>		
Return after charges <sup>5</sup>	6.81%	(1.54)%
<b>Other information</b>		
Closing net asset value (£)	36,730,008	33,820,288
Closing number of shares	9,830,057	9,667,851
Operating charges ratio <sup>6</sup>	0.70%	0.92%
Direct transaction costs <sup>4</sup>	0.01%	0.02%
<b>Prices (p)</b>		
Highest share price	384.45	384.56
Lowest share price	341.30	334.28

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

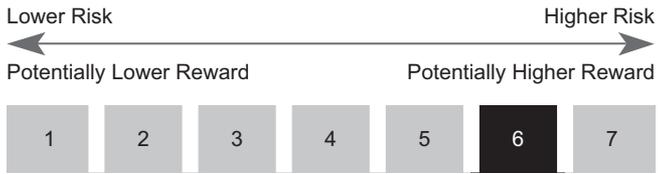
6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

\* The Fund launched on 23 September 2022. The opening net asset value per share is calculated from the merger price.

# FTF ClearBridge US Value Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF ClearBridge US Value Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 99.24% (97.40%)</b>		
	<b>AIRLINES 1.27% (0.72%)</b>		
13,500	United Airlines .....	468	1.27
	<b>ALTERNATIVE ENERGY SOURCES 1.92% (1.94%)</b>		
27,285	Fluence Energy .....	514	1.40
1,790	SolarEdge Technologies .....	190	0.52
		704	1.92
	<b>BANKS 5.46% (6.39%)</b>		
63,130	First Horizon .....	571	1.55
2,420	Goldman Sachs .....	642	1.75
23,759	Wells Fargo .....	795	2.16
		2,008	5.46
	<b>BEVERAGES 1.66% (1.30%)</b>		
2,950	Constellation Brands .....	608	1.66
	<b>BIOTECHNOLOGY 4.64% (4.45%)</b>		
2,760	Biogen .....	581	1.58
4,220	BioNTech .....	376	1.02
12,200	Gilead Sciences .....	749	2.04
		1,706	4.64
	<b>CHEMICALS 2.26% (1.97%)</b>		
2,321	Air Liquide .....	321	0.87
8,120	Eastman Chemical .....	510	1.39
		831	2.26
	<b>COAL 0.65% (0.00%)</b>		
6,760	Teck Resources .....	239	0.65
	<b>COMMERCIAL SERVICES 1.08% (0.00%)</b>		
10,890	Block .....	395	1.08
	<b>COSMETICS &amp; PERSONAL CARE 1.89% (3.04%)</b>		
42,020	Coty .....	377	1.03
92,780	Haleon .....	316	0.86
		693	1.89
	<b>DISTRIBUTION &amp; WHOLESALE 1.52% (1.40%)</b>		
43,620	Marubeni .....	558	1.52
	<b>DIVERSIFIED FINANCIAL SERVICES 3.76% (2.06%)</b>		
9,960	Apollo Global Management .....	733	2.00
8,150	Capital One Financial .....	648	1.76
		1,381	3.76
	<b>ELECTRICITY 6.74% (8.59%)</b>		
41,992	AES .....	523	1.42
12,060	Constellation Energy .....	1,078	2.93
32,268	Vistra .....	877	2.39
		2,478	6.74
	<b>ELECTRONICS 0.96% (1.35%)</b>		
11,330	Sensata Technologies .....	351	0.96
	<b>ENVIRONMENTAL CONTROL 1.27% (0.00%)</b>		
3,400	Clean Harbors .....	466	1.27
	<b>FOOD PRODUCERS 0.79% (0.00%)</b>		
6,030	Performance Food .....	291	0.79
	<b>HEALTHCARE PRODUCTS 0.00% (2.14%)</b>		
	<b>HEALTHCARE SERVICES 2.89% (3.68%)</b>		
2,567	UnitedHealth .....	1,061	2.89

# FTF ClearBridge US Value Fund

## PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>INSURANCE 8.87% (7.59%)</b>			
23,999	American International .....	1,192	3.25
32,170	Equitable .....	749	2.04
2,320	Everest .....	706	1.92
44,680	MGIC Investment .....	611	1.66
		3,258	8.87
<b>INTERNET 5.99% (8.35%)</b>			
37,080	Alibaba .....	332	0.90
5,810	Expedia .....	491	1.34
2,356	Meta Platforms .....	579	1.58
21,173	Uber Technologies .....	798	2.17
		2,200	5.99
<b>LODGING 1.30% (3.20%)</b>			
12,680	Las Vegas Sands .....	476	1.30
<b>MACHINERY DIVERSIFIED 1.76% (1.00%)</b>			
27,350	CNH Industrial .....	271	0.74
11,450	Flowserve .....	373	1.02
		644	1.76
<b>MINING 3.77% (4.88%)</b>			
29,980	Freeport-McMoRan .....	916	2.49
5,416	Royal Gold .....	471	1.28
		1,387	3.77
<b>MISCELLANEOUS MANUFACTURING 1.60% (1.35%)</b>			
4,970	Siemens .....	586	1.60
<b>OIL &amp; GAS PRODUCERS 10.97% (10.25%)</b>			
22,050	APA .....	743	2.02
23,800	EQT .....	792	2.16
22,580	Noble .....	937	2.55
6,040	Pioneer Natural Resources .....	1,136	3.09
7,817	TotalEnergies .....	421	1.15
		4,029	10.97
<b>OIL &amp; GAS SERVICES 3.14% (3.38%)</b>			
23,720	Baker Hughes .....	686	1.87
9,740	Schlumberger .....	465	1.27
		1,151	3.14
<b>PHARMACEUTICALS 6.68% (4.78%)</b>			
4,437	AbbVie .....	542	1.48
8,710	AstraZeneca .....	484	1.32
11,170	Johnson & Johnson .....	1,426	3.88
		2,452	6.68
<b>REAL ESTATE INVESTMENT &amp; SERVICES 1.24% (0.90%)</b>			
7,530	Howard Hughes .....	457	1.24
<b>REAL ESTATE INVESTMENT TRUSTS 2.51% (0.00%)</b>			
46,060	AGNC Investment .....	356	0.97
4,210	American Tower .....	567	1.54
		923	2.51
<b>RETAIL 1.03% (0.72%)</b>			
4,110	Ross Stores .....	380	1.03
<b>SEMICONDUCTORS 3.34% (3.41%)</b>			
13,400	Micron Technology .....	747	2.03
6,750	Taiwan Semiconductor Manufacturing .....	480	1.31
		1,227	3.34

## FTF ClearBridge US Value Fund

### PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>SOFTWARE 5.53% (6.81%)</b>		
7,640	Fiserv.....	707	1.92
1,980	Microsoft.....	512	1.39
9,392	Oracle.....	815	2.22
		<u>2,034</u>	<u>5.53</u>
	<b>TELECOMMUNICATIONS 0.00% (1.75%)</b>		
	<b>TRANSPORTATION 2.75% (0.00%)</b>		
5,780	Canadian Pacific Kansas City.....	352	0.96
3,930	Union Pacific.....	656	1.79
		<u>1,008</u>	<u>2.75</u>
	TOTAL - EQUITIES	<u>36,450</u>	<u>99.24</u>
	<b>TOTAL VALUE OF INVESTMENTS .....</b>	<b><u>36,450</u></b>	<b><u>99.24</u></b>
	<b>OTHER ASSETS .....</b>	<b><u>280</u></b>	<b><u>0.76</u></b>
	<b>TOTAL NET ASSETS .....</b>	<b><u>36,730</u></b>	<b><u>100.00</u></b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

# FTF ClearBridge US Value Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Income</b>				
Net capital gains/(losses)		2,157		(1,241)
Revenue	320		10	
Expenses	(125)		(7)	
Interest payable and similar charges	-		-	
Net revenue before taxation	195		3	
Taxation	(44)		(1)	
Net revenue after taxation		151		2
<b>Total return before distributions</b>		<b>2,308</b>		<b>(1,239)</b>
Distributions		-		-
<b>Change in net assets attributable to shareholders</b>		<b>2,308</b>		<b>(1,239)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>33,820</b>		<b>-</b>
Amounts received on creation of shares	2,334		35,561	
Amounts paid on cancellation of shares	(1,732)		(23)	
		602		35,538
Change in net assets attributable to shareholders from investment activities (see above)		2,308		(1,239)
Retained distribution on accumulation shares		-		-
<b>Closing net assets attributable to shareholders</b>		<b>36,730</b>		<b>34,299</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023*
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	36,450	32,942
Current assets		
Debtors	349	74
Cash and bank balances	563	1,050
<b>Total assets</b>	<b>37,362</b>	<b>34,066</b>
<b>Liabilities</b>		
Creditors		
Other creditors	(632)	(246)
<b>Total liabilities</b>	<b>(632)</b>	<b>(246)</b>
<b>Net assets attributable to shareholders</b>	<b>36,730</b>	<b>33,820</b>

\* The Fund launched on 23 September 2022.

# FTF Franklin Sterling Corporate Bond Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to outperform the Markit iBoxx GBP Non-Gilts Index after fees and costs are deducted through a combination of income and investment growth over a three to five-year period.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least two thirds (but typically significantly more) in corporate bonds (a type of debt obligation issued by a company) denominated in sterling.

The Fund's assets will normally be held in investment grade securities (bonds from companies that have been rated by independent agencies as high quality); however, up to 15% of the Fund's assets can be held in bonds that are rated as below investment grade (below BBB- by Standard & Poor's or Baa3 by Moody's). These bonds generally pay a high yield (interest rate) but are considered by rating agencies to be lower quality and carry more risk than investment grade bonds. In addition, the Fund's managers make their own assessment of both investment grade and non-investment grade bonds to determine whether they believe investors will be adequately rewarded for any risk taken.

Up to 10% of the Fund's investments can be held in bonds that are denominated in currencies other than British pounds.

The Fund uses derivatives to grow or preserve the Fund's value, manage investment risk and gain cost-effective access to investments. Derivatives are financial contracts whose value is linked to the price of another asset (e.g. indices, interest rates, share prices or currencies). These derivatives include, but are not limited to, futures, currency forwards, options, and credit default and interest rate swaps.

# FTF Franklin Sterling Corporate Bond Fund

## INVESTMENT REVIEW

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### PERFORMANCE

For the six months to 30 September 2023, the FTF Franklin Sterling Corporate Bond Fund (W Accumulation) returned -0.69%, compared to the Markit iBoxx GBP Non-Gilts Index, which returned -1.19% (both returns in UK sterling).

### OVERVIEW

Amid elevated levels of volatility in financial markets, UK corporate bonds registered negative returns over the period under review.

Data released in April showed signs of moderation in UK inflation, with the annual rate falling slightly in March to 10.1%, from February's 10.4%. Nonetheless, although the Bank of England ("BoE") did not meet in April, these figures did not stop the central bank from raising interest rates by 25 basis points ("bps") in May to 4.5%, the highest level since 2008, with the BoE indicating that further rate hikes would be appropriate if inflationary pressures persisted. May's data releases showed that the annual inflation rate in the United Kingdom ("UK") had cooled to 8.7% in April, while the UK's gross domestic product had expanded marginally in the first quarter of 2023, matching the previous quarter's growth rate. Services activity expanded in May for the fourth consecutive month. Conversely, manufacturing activity contracted in May for the 10th consecutive month, amid an accelerating decline in output and new orders. The BOE then surprised investors with a 50bps increase in June to 5.0%, indicating once more that further rate hikes might be needed. Indeed, although the annual inflation rate in the UK remained at 8.7% in May, the annual core inflation rate accelerated from 6.2% in April to 7.1% in May, the highest reading in 31 years.

Figures released in July saw the annual inflation rate in the UK slowing to 7.9%, the lowest level in more than a year, and the annual core inflation rate cooling to 6.9% in June. Nonetheless, whilst it did not meet in July, the BoE raised the cost of borrowing by 25bps at its meeting in early August, to a 15-year high of 5.25%, signalling once again that interest rates might have to stay higher for longer to bring inflation down to the central bank's 2% inflation target. In September, the central bank held interest rates at 5.25%, albeit after a knife-edge decision, with the BoE governor casting the decisive vote to keep the cost of borrowing on hold. This was the first pause after 14 consecutive rises since the rate-tightening cycle began in December 2021.

### SIGNIFICANT CHANGES

The top purchases made by the Fund during the period were Vattenfall 6.875% 17/08/83, Rothesay Life 7.734% 16/05/33, Danske Bank 6.5% 23/08/28, African Development Bank 5.5% 13/08/25 and ABN Amro 5.25% 26/05/26.

Conversely, the top sales during the period were Investec 2.625% 04/01/32, Wells Fargo 3.5% 12/09/29, NatWest Group 3.622% 14/08/30, Cooperative Bank 4.625% 23/05/29 and NatWest Group 3.125% 28/03/27.

### POSITIVE/NEGATIVE CONTRIBUTORS

The Fund's sector allocation and security selection, albeit to a lesser extent, contributed to relative performance, most of all positioning in government-related bonds. Overweight exposures to corporate high-yield financial and industrial issues also added relative value. In contrast, selection in corporate investment-grade industrial bonds hindered relative results, although this was offset to some degree by the positive impact of an overweight exposure to this area.

The Fund's duration and yield-curve positioning in UK bonds also bolstered relative returns.

There were no significant detractors from relative results.

### OUTLOOK

We foresee a slowing UK economy, with broadly flat growth in the coming quarters. Should the economy enter into a recession, however, we believe it will be mild. In our opinion, inflation is likely to fall quickly, but a tight labour market should continue to put upward pressure on wages. Against this backdrop, the BoE may well continue to raise the cost of borrowing, although we believe that the end of the tightening cycle is near.

David Zahn, CFA  
Fund Manager  
30 September 2023

# FTF Franklin Sterling Corporate Bond Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>W – Accumulation shares</u>	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	100.09	111.28	116.37	106.63
Return before operating charges <sup>1</sup>	(0.53)	(10.73)	(4.56)	10.26
Operating charges <sup>2</sup>	(0.22)	(0.46)	(0.53)	(0.52)
Return after operating charges <sup>3</sup>	(0.75)	(11.19)	(5.09)	9.74
Distributions	(1.99)	(3.31)	(3.03)	(2.99)
Retained distributions on accumulation shares	1.99	3.31	3.03	2.99
Closing net asset value per share	99.34	100.09	111.28	116.37
After direct transaction costs of <sup>4</sup>	-	-	-	-
<b>Performance</b>				
Return after charges <sup>5</sup>	(0.75)%	(10.06)%	(4.37)%	9.13%
<b>Other information</b>				
Closing net asset value (£)	34,678,031	36,769,082	42,480,924	45,607,579
Closing number of shares	34,907,376	36,734,580	38,174,310	39,190,429
Operating charges ratio <sup>6</sup>	0.45%	0.45%	0.45%	0.45%
Direct transaction costs <sup>4</sup>	-	-	-	-
<b>Prices (p)</b>				
Highest share price	101.13	112.22	120.34	121.95
Lowest share price	96.47	89.66	110.55	107.89
<b>W – Income shares</b>				
	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	84.58	97.27	104.45	98.18
Return before operating charges <sup>1</sup>	(0.47)	(9.43)	(4.01)	9.46
Operating charges <sup>2</sup>	(0.19)	(0.41)	(0.51)	(0.47)
Return after operating charges <sup>3</sup>	(0.66)	(9.84)	(4.52)	8.99
Distributions	(1.67)	(2.85)	(2.66)	(2.72)
Closing net asset value per share	82.25	84.58	97.27	104.45
After direct transaction costs of <sup>4</sup>	-	-	-	-
<b>Performance</b>				
Return after charges <sup>5</sup>	(0.78)%	(10.12)%	(4.33)%	9.16%
<b>Other information</b>				
Closing net asset value (£)	3,289	3,382	3,889	4,177
Closing number of shares	3,998	3,998	3,998	3,998
Operating charges ratio <sup>6</sup>	0.45%	0.47%	0.45%	0.45%
Direct transaction costs <sup>4</sup>	-	-	-	-
<b>Prices (p)</b>				
Highest share price	85.46	98.09	107.31	110.63
Lowest share price	80.72	77.11	97.27	99.34

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

# FTF Franklin Sterling Corporate Bond Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Franklin Sterling Corporate Bond Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>BONDS 98.09% (97.18%)</b>		
	<b>AFRICA 1.16% (1.32%)</b>		
	<b>CÔTE D'IVOIRE</b>		
400,000	African Development Bank, 5.500%, 13/08/2025.....	401	1.16
	TOTAL - AFRICA	401	1.16
	<b>CENTRAL AMERICA 2.80% (2.61%)</b>		
	<b>CAYMAN ISLANDS</b>		
400,000	Southern Water Services Finance, 3.000%, 28/05/2037.....	256	0.74
	<b>MEXICO</b>		
425,000	America Movil, 5.750%, 28/06/2030.....	426	1.23
400,000	Mexico Government International Bond, 5.625%, 19/03/2114.....	290	0.83
		716	2.06
	TOTAL - CENTRAL AMERICA	972	2.80
	<b>EUROPE - NON EU 3.18% (3.87%)</b>		
	<b>JERSEY</b>		
400,000	Gatwick Funding, 4.625%, 27/03/2036.....	349	1.01
400,000	Glencore Finance Europe, 3.125%, 26/03/2026.....	375	1.08
		724	2.09
	<b>NORWAY</b>		
400,000	DNB Bank, 2.625%, 10/06/2026.....	379	1.09
	TOTAL - EUROPE - NON EU	1,103	3.18
	<b>EUROPE - OTHER EU 35.87% (32.23%)</b>		
	<b>BELGIUM</b>		
500,000	Anheuser-Busch InBev, 4.000%, 24/09/2025.....	488	1.41
300,000	Kingdom of Belgium Government International Bond, 5.700%, 28/05/2032.....	312	0.90
		800	2.31
	<b>DENMARK</b>		
400,000	Danske Bank, 6.500%, 23/08/2028.....	405	1.17
300,000	Orsted, 4.875%, 12/01/2032.....	277	0.80
		682	1.97
	<b>FRANCE</b>		
400,000	AXA, 5.453%, Perpetual.....	385	1.11
400,000	Banque Federative du Credit Mutuel, 1.250%, 05/12/2025.....	363	1.05
300,000	BNP Paribas, 1.875%, 14/12/2027.....	253	0.73
600,000	BNP Paribas, 2.000%, 24/05/2031.....	522	1.50
400,000	Credit Agricole, 4.875%, 23/10/2029.....	380	1.10
400,000	Electricite de France, 5.875%, 18/07/2031.....	388	1.12
100,000	Electricite de France, 6.000%, 23/01/2114.....	82	0.24
300,000	Electricite de France, 5.875%, Perpetual.....	249	0.72
500,000	Engie, 5.625%, 03/04/2053.....	454	1.31
500,000	Orange, 8.125%, 20/11/2028.....	559	1.61
600,000	TotalEnergies Capital International, 1.750%, 07/07/2025.....	567	1.63
		4,202	12.12
	<b>GERMANY</b>		
400,000	Deutsche Bank, 1.875%, 22/12/2028.....	326	0.94
400,000	Kreditanstalt fuer Wiederaufbau, 1.125%, 04/07/2025.....	373	1.07
		699	2.01
	<b>IRELAND</b>		
400,000	ESB Finance, 1.875%, 21/07/2035.....	269	0.78
100,000	Ulster Bank Ireland, 11.750%, Perpetual.....	154	0.44
		423	1.22

# FTF Franklin Sterling Corporate Bond Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>ITALY</b>		
400,000	Intesa Sanpaolo, 6.500%, 14/03/2029 .....	388	1.12
200,000	Intesa Sanpaolo, 5.148%, 10/06/2030 .....	167	0.48
500,000	Republic of Italy Government International Bond, 6.000%, 04/08/2028 .....	502	1.45
		1,057	3.05
	<b>LUXEMBOURG</b>		
300,000	CK Hutchison Telecom Finance, 2.625%, 17/10/2034 .....	201	0.58
700,000	European Investment Bank, 4.500%, 07/03/2044 .....	647	1.86
		848	2.44
	<b>NETHERLANDS</b>		
200,000	ABN AMRO Bank, 5.250%, 26/05/2026 .....	198	0.57
300,000	Deutsche Telekom International Finance, 8.875%, 27/11/2028 .....	345	0.99
500,000	Enel Finance International, 5.750%, 14/09/2040 .....	468	1.35
400,000	ING Groep, 1.125%, 07/12/2028 .....	329	0.95
400,000	ING Groep, 6.250%, 20/05/2033 .....	380	1.09
500,000	Shell International Finance, 1.750%, 10/09/2052 .....	217	0.63
		1,937	5.58
	<b>SPAIN</b>		
300,000	Banco Santander, 1.500%, 14/04/2026 .....	267	0.77
400,000	CaixaBank, 6.875%, 25/10/2033 .....	384	1.11
550,000	Iberdrola Finanzas, 7.375%, 29/01/2024 .....	552	1.59
400,000	Telefonica Emisiones, 5.375%, 02/02/2026 .....	397	1.14
		1,600	4.61
	<b>SWEDEN</b>		
200,000	Vattenfall, 6.875%, 17/08/2083 .....	194	0.56
	<b>TOTAL - EUROPE - OTHER EU</b>	12,442	35.87
	<b>NORTH AMERICA 19.87% (18.73%)</b>		
	<b>UNITED STATES OF AMERICA</b>		
300,000	Amgen, 5.500%, 07/12/2026 .....	300	0.86
500,000	Apple, 3.050%, 31/07/2029 .....	454	1.31
500,000	AT&T, 2.900%, 04/12/2026 .....	457	1.32
400,000	Bank of America, 1.667%, 02/06/2029 .....	331	0.95
500,000	Berkshire Hathaway Finance, 2.625%, 19/06/2059 .....	271	0.78
500,000	Citigroup, 5.150%, 21/05/2026 .....	492	1.42
400,000	Comcast, 1.875%, 20/02/2036 .....	267	0.77
300,000	Encore Capital, 4.250%, 01/06/2028 .....	238	0.69
400,000	Fiserv, 3.000%, 01/07/2031 .....	328	0.95
400,000	Goldman Sachs, 4.250%, 29/01/2026 .....	386	1.11
200,000	Goldman Sachs, 6.875%, 18/01/2038 .....	197	0.57
400,000	Inter-American Development Bank, 4.000%, 17/12/2029 .....	385	1.11
400,000	International Business Machines, 4.875%, 06/02/2038 .....	351	1.01
600,000	MetLife, 5.375%, 09/12/2024 .....	594	1.71
300,000	Mondelez International, 4.500%, 03/12/2035 .....	254	0.73
200,000	MPT Operating Partnership / MPT Finance, 2.500%, 24/03/2026 .....	151	0.44
500,000	New York Life Global Funding, 4.350%, 16/09/2025 .....	488	1.41
225,000	Time Warner Cable, 5.750%, 02/06/2031 .....	210	0.61
500,000	Verizon Communications, 4.750%, 17/02/2034 .....	452	1.30
300,000	Walmart, 4.875%, 19/01/2039 .....	284	0.82
		6,890	19.87
	<b>TOTAL - NORTH AMERICA</b>	6,890	19.87
	<b>UNITED KINGDOM 35.21% (38.42%)</b>		
500,000	Associated British Foods, 2.500%, 16/06/2034 .....	381	1.10
300,000	Barclays, 3.250%, 12/02/2027 .....	271	0.78
300,000	Barclays, 8.407%, 14/11/2032 .....	305	0.88

# FTF Franklin Sterling Corporate Bond Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>UNITED KINGDOM (Continued)</b>			
500,000	Bazalgette Finance, 2.375%, 29/11/2027 .....	437	1.26
200,000	BG Energy Capital, 5.000%, 04/11/2036 .....	186	0.54
500,000	BP Capital Markets, 4.250%, Perpetual.....	443	1.28
500,000	Cadent Finance, 2.750%, 22/09/2046 .....	277	0.80
200,000	Compass, 2.000%, 05/09/2025 .....	188	0.54
400,000	Credit Suisse, 1.125%, 15/12/2025 .....	359	1.04
500,000	Diageo Finance, 1.750%, 12/10/2026 .....	455	1.31
300,000	Diageo Finance, 2.750%, 08/06/2038 .....	214	0.62
300,000	DWR Cymru Financing UK, 2.500%, 31/03/2036.....	212	0.61
400,000	Experian Finance, 3.250%, 07/04/2032.....	337	0.97
200,000	GlaxoSmithKline Capital, 1.625%, 12/05/2035 .....	134	0.39
400,000	Haleon UK Capital, 3.375%, 29/03/2038 .....	300	0.86
500,000	Heathrow Funding, 5.875%, 13/05/2043 .....	469	1.35
300,000	HSBC, 8.201%, 16/11/2034.....	310	0.89
200,000	HSBC, 6.000%, 29/03/2040 .....	176	0.51
400,000	Hutchison Whampoa Finance UK, 5.625%, 24/11/2026 .....	400	1.15
100,000	Lloyds Banking, 2.000%, 12/04/2028.....	86	0.25
400,000	Lloyds Banking, 5.125%, Perpetual.....	372	1.07
500,000	London Power Networks, 6.125%, 07/06/2027 .....	505	1.46
400,000	M&G, 5.625%, 20/10/2051 .....	356	1.03
500,000	Motability Operations, 2.375%, 14/03/2032 .....	396	1.14
400,000	National Grid Electricity Transmission, 2.000%, 17/04/2040.....	230	0.66
200,000	Nationwide Building Society, 5.875%, Perpetual.....	187	0.54
400,000	Pension Insurance, 5.625%, 20/09/2030 .....	355	1.02
200,000	Pinewood Finance, 3.250%, 30/09/2025 .....	187	0.54
400,000	Rothsay Life, 7.734%, 16/05/2033.....	388	1.12
400,000	Santander UK, 7.098%, 16/11/2027 .....	403	1.16
500,000	Skipton Building Society, 2.000%, 02/10/2026 .....	454	1.31
135,000	Tesco, FRN, 6.318%, 05/11/2025 .....	271	0.78
450,000	United Kingdom Gilt, 3.500%, 22/01/2045 .....	368	1.06
300,000	United Kingdom Gilt, 3.750%, 22/07/2052 .....	248	0.72
400,000	United Kingdom Gilt, 1.625%, 22/10/2071 .....	173	0.50
400,000	United Utilities Water Finance, 5.125%, 06/10/2038 .....	358	1.03
400,000	Virgin Money UK, 3.375%, 24/04/2026 .....	375	1.08
300,000	Vmed O2 UK Financing I, 4.000%, 31/01/2029 .....	245	0.71
300,000	Vodafone, 5.125%, 02/12/2052 .....	244	0.70
200,000	Whitbread, 3.000%, 31/05/2031 .....	157	0.45
	<b>TOTAL - UNITED KINGDOM</b>	<b>12,212</b>	<b>35.21</b>
	<b>TOTAL - BONDS</b>	<b>34,020</b>	<b>98.09</b>
	<b>DERIVATIVES (0.00%) (0.17%)</b>		
	<b>FORWARD CURRENCY CONTRACTS</b>		
EUR 207,400	Buy EUR 207,400 sell GBP (179,258) dated 11/10/2023.....	1	0.00
EUR 2,100	Buy EUR 2,100 sell GBP (1,800) dated 11/10/2023 .....	-	0.00
GBP 179,594	Buy GBP 179,594 sell EUR (209,500) dated 11/10/2023.....	(2)	0.00
		(1)	0.00
	<b>TOTAL - DERIVATIVES</b>	<b>(1)</b>	<b>0.00</b>
	<b>TOTAL VALUE OF INVESTMENTS</b>	<b>34,019</b>	<b>98.09</b>
	<b>OTHER ASSETS</b>	<b>662</b>	<b>1.91</b>
	<b>TOTAL NET ASSETS</b>	<b>34,681</b>	<b>100.00</b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

# FTF Franklin Sterling Corporate Bond Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(902)		(7,633)
Revenue	719		591	
Expenses	(80)		(89)	
Interest payable and similar charges	-		(1)	
Net revenue before taxation	639		501	
Taxation	(1)		(1)	
Net revenue after taxation		638		500
<b>Total return before distributions</b>		<b>(264)</b>		<b>(7,133)</b>
Distributions		(718)		(589)
<b>Change in net assets attributable to shareholders</b>		<b>(982)</b>		<b>(7,722)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>36,772</b>		<b>42,485</b>
Amounts received on creation of shares	1,132		2,760	
Amounts paid on cancellation of shares	(2,955)		(2,357)	
		(1,823)		403
Dilution adjustment		4		7
Change in net assets attributable to shareholders from investment activities (see above)		(982)		(7,722)
Retained distribution on accumulation shares		710		600
<b>Closing net assets attributable to shareholders</b>		<b>34,681</b>		<b>35,773</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	34,021	35,803
Current assets		
Debtors	715	848
Cash and bank balances	20	1,010
Total assets	34,756	37,661
<b>Liabilities</b>		
Investment liabilities	(2)	(7)
Creditors		
Other creditors	(73)	(882)
Total liabilities	(75)	(889)
<b>Net assets attributable to shareholders</b>	<b>34,681</b>	<b>36,772</b>

# FTF Franklin Sterling Corporate Bond Fund

## DISTRIBUTION TABLES For the period 1 April 2023 to 30 September 2023

### For the period 1 April 2023 to 30 June 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased in the period 1 April 2023 to 30 June 2023

	Net Income	Equalisation	30 June 2023 Pence per Share	30 June 2022 Pence per Share
	p	p	p	p
<b>W Accumulation Shares</b>				
Group 1	0.9648	-	0.9648	0.7729
Group 2	0.1167	0.8481	0.9648	0.7729
<b>W Income Shares</b>				
Group 1	0.8101	-	0.8101	0.6730
Group 2	0.8101	0.0000	0.8101	0.6730

### For the period 1 July 2023 to 30 September 2023

Group 1 Shares purchased prior to 1 July 2023

Group 2 Shares purchased in the period 1 July 2023 to 30 September 2023

	Net Income	Equalisation	30 September 2023 Pence per Share	30 September 2022 Pence per Share
	p	p	p	p
<b>W Accumulation Shares</b>				
Group 1	1.0290	-	1.0290	0.7965
Group 2	0.5380	0.4910	1.0290	0.7965
<b>W Income Shares</b>				
Group 1	0.8633	-	0.8633	0.6918
Group 2	0.8633	0.0000	0.8633	0.6918

### Equalisation

All shareholders, within each share category, receive the same distribution per share, although the distribution to shareholders who purchased shares during the distribution period (Group 2 holdings) contains an element of equalisation which is a repayment, at an average rate per share, of the amount of accrued net income which was included in the purchase price of such shares. As the nature of this payment is capital it is not subject to income tax but must be deducted from the purchase price in any capital gains tax computation on the sale of the shares.

# FTF Franklin UK Gilt Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to outperform the FTSE UK Gilts (All) Government Total Return Index over a three to five-year period from a combination of income and investment growth, after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least two thirds (but typically significantly more) in debt obligations or bonds issued by the United Kingdom Government that pay interest (Gilts).

The Fund's managers do not intend to invest in every security in the FTSE UK Gilts (All) Government Total Return Index and up to 20% of the Fund's value can be invested in bonds (debt obligations) issued by governments of any nation or a lesser extent bonds issued by government-related organisations.

All the investments will be in investment grade securities, (bonds that have been rated by independent agencies as high quality). In addition, the Fund's managers make their own assessment of bonds to determine whether they believe investors will be adequately rewarded for any risk taken.

Up to 10% of the Fund's investments can be held in bonds that are denominated in currencies other than British pounds.

The Fund uses derivatives to grow or preserve the Fund's value, manage investment risk and gain cost-effective access to investments. Derivatives are financial contracts whose value is linked to the price of another asset (e.g. indices, interest rates, share prices or currencies). These derivatives include, but are not limited to, futures, currency forwards, options, and credit default and interest rate swaps.

# FTF Franklin UK Gilt Fund

## INVESTMENT REVIEW

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### PERFORMANCE

For the six months to 30 September 2023, the FTF Franklin UK Gilt Fund (W Accumulation) returned -5.85%, compared to the FTSE UK Gilts (All) Government TR Index, which returned -6.01% (both returns in UK sterling).

### OVERVIEW

Amid elevated levels of volatility in financial markets, UK Gilts registered significantly negative returns over the period under review.

Data released in April showed signs of moderation in UK inflation, with the annual rate falling slightly in March to 10.1%, from February's 10.4%. Nonetheless, although the Bank of England ("BoE") did not meet in April, these figures did not stop the central bank from raising interest rates by 25 basis points ("bps") in May to 4.5%, the highest level since 2008, with the BoE indicating that further rate hikes would be appropriate if inflationary pressures persisted. May's data releases showed that the annual inflation rate in the United Kingdom ("UK") had cooled to 8.7% in April, while the UK's gross domestic product had expanded marginally in the first quarter of 2023, matching the previous quarter's growth rate. Services activity expanded in May for the fourth consecutive month. Conversely, manufacturing activity contracted in May for the tenth consecutive month, amid an accelerating decline in output and new orders. The BoE then surprised investors with a 50bps increase in June to 5.0%, indicating once more that further rate hikes might be needed. Indeed, although the annual inflation rate in the UK remained at 8.7% in May, the annual core inflation rate accelerated from 6.2% in April to 7.1% in May, the highest reading in 31 years.

Figures released in July saw the annual inflation rate in the UK slowing to 7.9%, the lowest level in more than a year, and the annual core inflation rate cooling to 6.9% in June. Nonetheless, whilst it did not meet in July, the BoE raised the cost of borrowing by 25bps at its meeting in early August, to a 15-year high of 5.25%, signalling once again that interest rates might have to stay higher for longer to bring inflation down to the central bank's 2% inflation target. In September, the central bank held interest rates at 5.25%, albeit after a knife-edge decision, with the BoE governor casting the decisive vote to keep the cost of borrowing on hold. This was the first pause after 14 consecutive rises since the rate-tightening cycle began in December 2021.

### SIGNIFICANT CHANGES

The top purchases made by the Fund during the period under review were: United Kingdom Inflation-Linked Gilt, 0.125%, 22/03/2024, United Kingdom Inflation-Linked Gilt, 0.125%, 22/03/2068, United Kingdom Gilt, 1.500%, 31/07/2053, United Kingdom Gilt, 2.000%, 07/09/2025 and United Kingdom Gilt, 4.250%, 07/03/2036.

The top sales over the period under review were: United Kingdom Gilt, 2.250%, 07/09/2023, United Kingdom Gilt, 3.750%, 22/07/2052, United Kingdom Gilt, 1.625%, 22/10/2071, United Kingdom Gilt, 3.500%, 22/07/2068 and United Kingdom Gilt, 4.000%, 22/01/2060.

### POSITIVE/NEGATIVE CONTRIBUTORS

The Fund's duration and yield-curve positioning contributed to relative returns, particularly positioning in UK bonds.

The Fund's sector allocation also added relative value, although this was partially offset by the negative impact of security selection. A non-benchmark exposure to government-related bonds contributed to relative performance, as did an underweight allocation to bonds of maturities of between 1 and 3.5 years, although this was countered by the negative impact of selection in this area. A non-benchmark exposure to Treasury inflation-protected securities (TIPS) and an underweight allocation to bonds of maturities of between 15 and 25 years also hurt relative results.

### OUTLOOK

We foresee a slowing UK economy, with broadly flat growth in the coming quarters. Should the economy enter into a recession, however, we believe it will be mild. In our opinion, inflation is likely to fall quickly, but a tight labour market should continue to put upward pressure on wages. Against this backdrop, the BoE may well continue to raise the cost of borrowing, although we believe that the end of the tightening cycle is near.

**David Zahn, CFA & Rod MacPhee, CFA**

Fund Managers

30 September 2023

# FTF Franklin UK Gilt Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>W – Accumulation shares</u>	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	89.68	104.94	109.57	116.37
Return before operating charges <sup>1</sup>	(5.13)	(14.93)	(4.25)	(6.40)
Operating charges <sup>2</sup>	(0.15)	(0.33)	(0.38)	(0.40)
Return after operating charges <sup>3</sup>	(5.28)	(15.26)	(4.63)	(6.80)
Distributions	(1.06)	(1.52)	(1.11)	(1.33)
Retained distributions on accumulation shares	1.06	1.52	1.11	1.33
Closing net asset value per share	84.40	89.68	104.94	109.57
After direct transaction costs of <sup>4</sup>	-	-	-	-
<b>Performance</b>				
Return after charges <sup>5</sup>	(5.89)%	(14.54)%	(4.23)%	(5.84)%
<b>Other information</b>				
Closing net asset value (£)	62,183,877	61,451,760	68,754,431	74,165,883
Closing number of shares	73,673,773	68,521,924	65,518,464	67,689,942
Operating charges ratio <sup>6</sup>	0.35%	0.35%	0.34%	0.35%
Direct transaction costs <sup>4</sup>	-	-	-	-
<b>Prices (p)</b>				
Highest share price	90.58	106.02	115.18	120.58
Lowest share price	83.39	80.12	103.98	108.53
<b>W – Income shares</b>				
	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	83.21	99.03	104.46	112.24
Return before operating charges <sup>1</sup>	(4.75)	(14.08)	(4.01)	(6.11)
Operating charges <sup>2</sup>	(0.14)	(0.31)	(0.36)	(0.38)
Return after operating charges <sup>3</sup>	(4.89)	(14.39)	(4.37)	(6.49)
Distributions	(0.98)	(1.43)	(1.06)	(1.29)
Closing net asset value per share	77.34	83.21	99.03	104.46
After direct transaction costs of <sup>4</sup>	-	-	-	-
<b>Performance</b>				
Return after charges <sup>5</sup>	(5.88)%	(14.53)%	(4.18)%	(5.78)%
<b>Other information</b>				
Closing net asset value (£)	499,958	1,146,516	1,321,941	1,194,173
Closing number of shares	646,426	1,377,800	1,334,910	1,143,153
Operating charges ratio <sup>6</sup>	0.35%	0.35%	0.34%	0.35%
Direct transaction costs <sup>4</sup>	-	-	-	-
<b>Prices (p)</b>				
Highest share price	84.04	100.05	109.26	116.31
Lowest share price	76.94	75.08	98.39	103.77

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

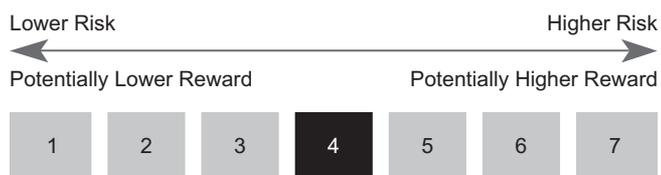
5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

# FTF Franklin UK Gilt Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Franklin UK Gilt Fund

## PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>BONDS 94.41% (97.19%)</b>		
	<b>CENTRAL AMERICA 1.10% (1.14%)</b>		
	<b>MEXICO</b>		
950,000	Mexico Government International Bond, 5.625%, 19/03/2114.....	689	1.10
	TOTAL - CENTRAL AMERICA	<u>689</u>	<u>1.10</u>
	<b>UNITED KINGDOM 93.31% (96.05%)</b>		
4,000,000	United Kingdom Gilt, 0.125%, 31/01/2024 .....	3,934	6.28
4,400,000	United Kingdom Gilt, 2.000%, 07/09/2025 .....	4,182	6.67
4,300,000	United Kingdom Gilt, 0.125%, 30/01/2026 .....	3,893	6.21
5,400,000	United Kingdom Gilt, 4.250%, 07/12/2027 .....	5,370	8.57
4,900,000	United Kingdom Gilt, 1.625%, 22/10/2028 .....	4,316	6.88
2,700,000	United Kingdom Gilt, 0.500%, 31/01/2029 .....	2,207	3.52
4,300,000	United Kingdom Gilt, 4.750%, 07/12/2030 .....	4,420	7.05
4,900,000	United Kingdom Gilt, 0.875%, 31/07/2033 .....	3,520	5.62
3,000,000	United Kingdom Gilt, 4.250%, 07/03/2036 .....	2,908	4.64
4,200,000	United Kingdom Gilt, 4.250%, 07/12/2040 .....	3,935	6.28
4,200,000	United Kingdom Gilt, 3.250%, 22/01/2044 .....	3,326	5.31
2,420,000	United Kingdom Gilt, 3.500%, 22/01/2045 .....	1,977	3.15
3,000,000	United Kingdom Gilt, 4.250%, 07/12/2049 .....	2,720	4.34
5,000,000	United Kingdom Gilt, 1.500%, 31/07/2053 .....	2,381	3.80
1,900,000	United Kingdom Gilt, 4.250%, 07/12/2055 .....	1,720	2.74
1,000,000	United Kingdom Gilt, 4.000%, 22/01/2060 .....	867	1.38
1,100,000	United Kingdom Gilt, 3.500%, 22/07/2068 .....	854	1.36
1,100,000	United Kingdom Gilt, 1.625%, 22/10/2071 .....	476	0.76
2,000,000	United Kingdom Inflation-Linked Gilt, 0.125%, 22/03/2024.....	3,064	4.89
2,600,000	United Kingdom Inflation-Linked Gilt, 0.125%, 22/03/2068.....	2,420	3.86
	TOTAL - UNITED KINGDOM	<u>58,490</u>	<u>93.31</u>
	TOTAL - BONDS	<u>59,179</u>	<u>94.41</u>
	<b>DERIVATIVES 0.00% (0.16%)</b>		
	<b>TOTAL VALUE OF INVESTMENTS .....</b>	<b><u>59,179</u></b>	<b><u>94.41</u></b>
	<b>OTHER ASSETS .....</b>	<b><u>3,505</u></b>	<b><u>5.59</u></b>
	<b>TOTAL NET ASSETS .....</b>	<b><u>62,684</u></b>	<b><u>100.00</u></b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

# FTF Franklin UK Gilt Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(4,434)		(12,686)
Revenue	775		423	
Expenses	(109)		(109)	
Interest payable and similar charges	-		(2)	
Net revenue before taxation	666		312	
Taxation	-		-	
Net revenue after taxation		666		312
<b>Total return before distributions</b>		<b>(3,768)</b>		<b>(12,374)</b>
Distributions		(775)		(421)
<b>Change in net assets attributable to shareholders</b>		<b>(4,543)</b>		<b>(12,795)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>62,598</b>		<b>70,076</b>
Amounts received on creation of shares	7,799		6,310	
Amounts paid on cancellation of shares	(3,952)		(3,836)	
		3,847		2,474
Dilution adjustment		-		3
Change in net assets attributable to shareholders from investment activities (see above)		(4,543)		(12,795)
Retained distribution on accumulation shares		782		426
<b>Closing net assets attributable to shareholders</b>		<b>62,684</b>		<b>60,184</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	59,179	60,941
Current assets		
Debtors	437	405
Cash and bank balances	3,142	1,535
Total assets	62,758	62,881
<b>Liabilities</b>		
Creditors		
Distributions payable	(3)	(6)
Other creditors	(71)	(277)
Total liabilities	(74)	(283)
<b>Net assets attributable to shareholders</b>	<b>62,684</b>	<b>62,598</b>

# FTF Franklin UK Gilt Fund

## DISTRIBUTION TABLES For the period 1 April 2023 to 30 September 2023

### For the period 1 April 2023 to 30 June 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased in the period 1 April 2023 to 30 June 2023

	Net Income	Equalisation	30 June 2023 Pence per Share	30 June 2022 Pence per Share
	p	p	p	p
<b>W Accumulation Shares</b>				
Group 1	0.4858	-	0.4858	0.3146
Group 2	0.1552	0.3306	0.4858	0.3146
<b>W Income Shares</b>				
Group 1	0.4510	-	0.4510	0.2968
Group 2	0.1622	0.2888	0.4510	0.2968

### For the period 1 July 2023 to 30 September 2023

Group 1 Shares purchased prior to 1 July 2023

Group 2 Shares purchased in the period 1 July 2023 to 30 September 2023

	Net Income	Equalisation	30 September 2023 Pence per Share	30 September 2022 Pence per Share
	p	p	p	p
<b>W Accumulation Shares</b>				
Group 1	0.5775	-	0.5775	0.3245
Group 2	0.2967	0.2808	0.5775	0.3245
<b>W Income Shares</b>				
Group 1	0.5298	-	0.5298	0.3052
Group 2	0.2417	0.2881	0.5298	0.3052

### Equalisation

All shareholders, within each share category, receive the same distribution per share, although the distribution to shareholders who purchased shares during the distribution period (Group 2 holdings) contains an element of equalisation which is a repayment, at an average rate per share, of the amount of accrued net income which was included in the purchase price of such shares. As the nature of this payment is capital it is not subject to income tax but must be deducted from the purchase price in any capital gains tax computation on the sale of the shares.

# FTF Franklin US Opportunities Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value over a three to five-year period after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least two thirds (but typically significantly more) in the shares of companies of any size, listed on the United States' stock markets. The managers focus on those stocks that they believe have the potential to grow faster than the US economy. Typically, these types of companies do not pay a dividend and instead reinvest any earnings to aid future growth.

The Fund's managers can invest in any industry but normally try to keep investment in any specific industry to no more than 25% of the portfolio.

Very occasionally and to a much lesser extent, the Fund may also invest in company bonds (debt obligations) that can be exchanged for shares in the same organisation.

The Fund may also invest a proportion of its portfolio in other types of transferable securities, cash and cash equivalents, money market instruments, and other collective investment schemes.

The Fund can use derivatives for efficient portfolio management (managing the fund in a way that is designed to reduce risk or cost and/or generate extra income or growth). Derivatives are financial contracts whose value is linked to the price of another asset (e.g. indices, interest rates, share prices or currencies).

# FTF Franklin US Opportunities Fund

## INVESTMENT REVIEW

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### PERFORMANCE

For the six-month period ended 30 September 2023, the FTF Franklin US Opportunities Fund (W Accumulation) returned 12.38%, while its benchmark, the Russell 3000® Growth Index<sup>1</sup>, returned 9.93%, both in UK-sterling terms.

### OVERVIEW

US stocks generally rose during the six-month period and outperformed stocks in most developed and emerging market countries (all in US-dollar terms), as the gains in the period's first four months overcame losses in the last two months. Better-than-expected corporate earnings reports, the suspension of the debt ceiling, subsiding concerns about US regional banks, enthusiasm for artificial intelligence ("AI"), resilient economic growth, and hopes for an end to the US Federal Reserve's ("Fed's") campaign of interest-rate hikes bolstered US stocks in April through July. However, Fitch Ratings downgraded the country's credit rating to AA+ from AAA early in August, and US stocks fell during August and September amidst a significant rise in US Treasury yields as the Fed indicated it would keep interest rates higher for longer than investors had previously expected. The Fed raised the federal funds target rate in May, left it unchanged in June, and raised it in July to the highest level since 2001 before pausing again in September. In August, the core personal consumption expenditures price index—which excludes food and energy prices and is the Fed's preferred inflation gauge—reached the lowest level since May 2021 but remained significantly higher than the Fed's 2.0% long-run inflation target. US gross domestic product growth moderated in the second quarter, while recent employment reports have indicated a cooling, but resilient labour market. Meanwhile, US manufacturing activity remained in contraction during the six-month period, while services activity continued to expand.

### SIGNIFICANT CHANGES

For the six-month period ended 30 September 2023, the information technology ("IT") sector was the largest sector weighting in the Fund and increased over the period. Other notable changes in weightings included an increase in the communication services sector and decreases in the health care, financials and real estate sectors.

Positions that were added or increased over the reporting period included Netflix, Oracle, NVIDIA and Adobe.

We opened a new position in streaming services company Netflix. We believe Netflix is the clear leader in paid subscription entertainment and continues to build scale by adding a lower-priced subscriber tier with advertising. Oracle Corporation offers products and services that address enterprise IT environments worldwide. We initiated a new position because we see a growth opportunity for the company to become a significant competitor in cloud computing with early potential to benefit from generative AI. We increased our position in NVIDIA because we like the chipmaker's dominant position in AI and processor accelerators as digital transformation gains momentum. Adobe operates as the leading creative software suite worldwide. We believe its competitive positioning is strong and the shift to AI presents an opportunity for the company, which recently released a generative AI version of its Firefly software.

Several positions were reduced or exited during the reporting period, including Visa, Microsoft, Mastercard and SBA Communications. We exited our position in payment processor Visa and lowered our exposure to Mastercard following a period of strong performance. Microsoft is the world's leading software company capitalising on the broad opportunity to digitalise the global economy by leveraging its cloud and Windows platforms. The advent of AI and recent breakthroughs in large language models have also been positive for Microsoft. We reduced our large position to maintain a diversified portfolio. SBA Communications is an owner and operator of wireless communications infrastructure. We reduced our position in SBA as wireless competition remains muted and the need for capital-expenditure upgrades has moderated.

### POSITIVE/NEGATIVE CONTRIBUTORS

The Fund outperformed its benchmark index for the six-month reporting period ended 30 September 2023. Stock selection in the health care and communication services sectors contributed significantly to relative returns. In the health care sector, pharmaceutical giant Eli Lilly & Company had several drugs driving its growth, but market excitement remains focused on the US Food & Drug Administration's review of its diabetes drug Mounjaro for obesity treatment and weight management. In the communication services sector, the shares of Meta Platforms were up strongly for the six months under review as corporate efficiency, improving fundamentals and an increased focus on AI boosted the interactive media company's stock. Other top individual contributors to relative performance over the six-month period included Adobe, Apple and ServiceNow in the IT sector, which benefitted from broader equity market gains over the period as well as the rapid adoption of AI.

In contrast, relative returns were hindered by overweightings in the utilities and real estate sectors and stock selection and an underweighting in the consumer discretionary sector. NextEra Energy, which is not part of the benchmark, was a detractor in the utilities sector. Rising US Treasury yields, along with interest rate pressures, pressured the shares of the renewable energy provider. SBA Communications was a leading detractor in the real estate sector. The tower operator continued to face headwinds, including a deceleration in US tower leasing and slower carrier spending. Individual detractors included semiconductor industry holdings Monolithic Power Systems and Analog Devices. Both companies have been pressured by an industry slowdown and excess customer inventories.

# FTF Franklin US Opportunities Fund

## INVESTMENT REVIEW *(Continued)*

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### OUTLOOK

We see recession risks moderating in the United States but anticipate below-trend growth to continue into 2024 as the lagged effects of tighter monetary policy and bank lending standards take hold. However, longer-term equity fundamentals remain constructive, in our analysis, with the prospects for AI potentially supporting US equities.

We believe the best-positioned companies are those with healthy balance sheets, strong competitive positions and the ability to generate high free cash flow. Our focus remains on investing in what we consider to be high-quality businesses with sustainable growth drivers that may not be reflected in current valuations. Many of these investments are levered to secular growth themes, such as AI, which is causing significant disruption in multiple industries while spurring new growth. In our view, there are opportunities for companies to increase productivity, lower costs and ultimately drive competitiveness in this era of generative AI. We are still in the early stages of this technology, and challenges are ahead of us, making a greater case for active management. We also see investment opportunities in other areas, such as health care, which is backed by multi-decade demand trends from an ageing population worldwide. Innovative trends include the development of robotic surgery systems that serve as an extension of a surgeon's hands and eyes, effectively reducing variation in surgical outcomes and enabling more procedures to be done with fewer complications.

Active management allows us to pursue opportunities that can potentially deliver positive long-term results, even in an environment of elevated interest rates. To do this, we rely on our bottom-up, fundamental research capabilities and leverage our in-house team of analysts to uncover high-quality companies we view as capable of becoming market leaders.

<sup>1</sup>Russell® is a trademark/servicemark of the Frank Russell Company.

**Grant Bowers & Sara Araghi, CFA**

Fund Managers

30 September 2023

# FTF Franklin US Opportunities Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>W Accumulation shares</u>	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	392.82	462.17	419.58	296.93
Return before operating charges <sup>1</sup>	43.23	(66.04)	46.55	126.02
Operating charges <sup>2</sup>	(1.78)	(3.31)	(3.96)	(3.37)
Return after operating charges <sup>3</sup>	41.45	(69.35)	42.59	122.65
Distributions	-	-	-	-
Retained distributions on accumulation shares	-	-	-	-
Closing net asset value per share	434.27	392.82	462.17	419.58
After direct transaction costs of <sup>4</sup>	(0.02)	(0.04)	(0.05)	(0.04)
<b>Performance</b>				
Return after charges <sup>5</sup>	10.55%	(15.01)%	10.15%	41.31%
<b>Other information</b>				
Closing net asset value (£)	66,167,046	69,108,893	106,875,184	101,093,837
Closing number of shares	15,236,376	17,593,100	23,124,401	24,093,952
Operating charges ratio <sup>6</sup>	0.84%	0.84%	0.83%	0.84%
Direct transaction costs <sup>4</sup>	-	0.01%	0.01%	0.01%
<b>Prices (p)</b>				
Highest share price	453.47	463.96	551.10	459.98
Lowest share price	382.83	356.18	399.31	283.34

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

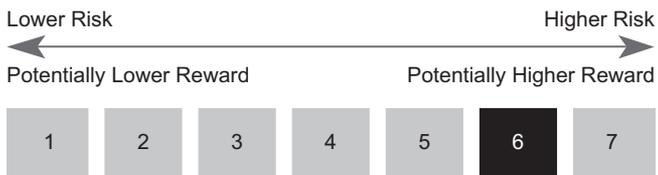
5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

# FTF Franklin US Opportunities Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Franklin US Opportunities Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 97.76% (99.80%)</b>		
	<b>APPAREL 0.00% (1.25%)</b>		
	<b>AUTOMOBILE MANUFACTURERS 0.91% (1.07%)</b>		
2,921	Tesla .....	599	0.91
	<b>BEVERAGES 2.38% (2.96%)</b>		
1,698	Constellation Brands .....	350	0.53
28,182	Monster Beverage .....	1,222	1.85
		<u>1,572</u>	<u>2.38</u>
	<b>BIOTECHNOLOGY 0.22% (0.17%)</b>		
6,110	Guardant Health .....	148	0.22
	<b>CHEMICALS 2.00% (2.01%)</b>		
4,330	Linde .....	1,322	2.00
	<b>COMMERCIAL SERVICES 4.23% (4.05%)</b>		
10,420	CoStar .....	656	0.99
1,761	Gartner .....	496	0.75
3,895	S&P Global .....	1,166	1.76
8,250	TransUnion .....	485	0.73
		<u>2,803</u>	<u>4.23</u>
	<b>COMPUTERS 5.62% (6.90%)</b>		
21,052	Apple .....	2,952	4.46
5,581	Crowdstrike .....	765	1.16
		<u>3,717</u>	<u>5.62</u>
	<b>DIVERSIFIED FINANCIAL SERVICES 5.64% (9.30%)</b>		
10,151	Mastercard .....	3,293	4.98
2,318	Visa .....	437	0.66
		<u>3,730</u>	<u>5.64</u>
	<b>ELECTRICITY 0.73% (1.30%)</b>		
10,243	NextEra Energy .....	481	0.73
	<b>ELECTRONICS 0.00% (0.96%)</b>		
	<b>ENVIRONMENTAL CONTROL 1.34% (1.31%)</b>		
7,621	Republic Services .....	890	1.34
	<b>FOOD PRODUCERS 0.61% (0.75%)</b>		
5,347	Lamb Weston .....	405	0.61
	<b>HEALTHCARE PRODUCTS 6.41% (7.10%)</b>		
5,939	Danaher .....	1,208	1.83
1,259	IDEXX Laboratories .....	451	0.68
3,742	Intuitive Surgical .....	896	1.35
1,973	Thermo Fisher Scientific .....	819	1.24
2,815	West Pharmaceutical Services .....	866	1.31
		<u>4,240</u>	<u>6.41</u>
	<b>HEALTHCARE SERVICES 2.26% (3.21%)</b>		
3,627	UnitedHealth .....	1,498	2.26
	<b>INTERNET 18.77% (13.45%)</b>		
27,033	Alphabet .....	2,897	4.38
43,177	Amazon.com .....	4,497	6.80
13,536	Figs .....	65	0.10
11,810	Meta Platforms .....	2,904	4.39
2,555	Netflix .....	790	1.19
7,708	Pinterest .....	171	0.26
29,065	Uber Technologies .....	1,095	1.65
		<u>12,419</u>	<u>18.77</u>
	<b>MISCELLANEOUS MANUFACTURING 1.07% (0.99%)</b>		
4,358	Axon Enterprise .....	710	1.07

# FTF Franklin US Opportunities Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>PHARMACEUTICALS 3.94% (3.92%)</b>		
16,187	AstraZeneca† .....	898	1.36
3,876	Eli Lilly .....	1,705	2.58
		2,603	3.94
	<b>PRIVATE EQUITY 1.29% (0.62%)</b>		
10,121	Ares Management .....	853	1.29
	<b>REAL ESTATE INVESTMENT TRUSTS 0.88% (2.62%)</b>		
3,543	SBA Communications .....	581	0.88
	<b>RETAIL 3.20% (4.96%)</b>		
249	AutoZone .....	518	0.78
824	Chipotle Mexican Grill .....	1,237	1.87
6,692	Freshpet .....	361	0.55
		2,116	3.20
	<b>SEMICONDUCTORS 10.09% (7.35%)</b>		
5,818	Analog Devices .....	835	1.26
5,100	ARM† .....	224	0.34
994	ASML .....	479	0.72
4,940	Lattice Semiconductor .....	348	0.53
3,500	Monolithic Power Systems .....	1,325	2.00
9,727	NVIDIA .....	3,466	5.24
		6,677	10.09
	<b>SOFTWARE 25.59% (22.57%)</b>		
3,599	Adobe .....	1,504	2.27
3,189	Atlassian .....	526	0.79
3,908	BILL .....	348	0.53
8,417	Confluent .....	204	0.31
2,393	Datadog .....	179	0.27
882	HubSpot .....	356	0.54
2,888	Intuit .....	1,209	1.83
1,393	Klaviyo .....	39	0.06
15,031	Microsoft .....	3,888	5.88
986	Monday.com .....	129	0.20
1,584	MongoDB .....	449	0.68
1,558	MSCI .....	655	0.99
7,759	Oddity Tech .....	180	0.27
10,544	Oracle .....	915	1.38
1,572	Paycom Software .....	334	0.50
2,438	Roper Technologies .....	967	1.46
2,088	Salesforce .....	347	0.52
4,415	ServiceNow .....	2,022	3.06
3,461	Synopsys .....	1,302	1.97
1,091	Tyler Technologies .....	345	0.52
2,495	Veeva Systems .....	416	0.63
3,513	Workday .....	618	0.93
		16,932	25.59
	<b>TRANSPORTATION 0.58% (0.98%)</b>		
2,319	Union Pacific .....	387	0.58
	<b>TOTAL - EQUITIES</b>	64,683	97.76

# FTF Franklin US Opportunities Fund

## PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	TOTAL VALUE OF INVESTMENTS .....	64,683	97.76
	OTHER ASSETS .....	1,484	2.24
	TOTAL NET ASSETS .....	<u>66,167</u>	<u>100.00</u>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

† American Depositary Receipt.

# FTF Franklin US Opportunities Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	<u>30 September 2023</u>	<u>30 September 2023</u>	<u>30 September 2022</u>	<u>30 September 2022</u>
	£000	£000	£000	£000
<b>Income</b>				
Net capital gains/(losses)		7,001		(14,315)
Revenue	184		222	
Expenses	(286)		(378)	
Interest payable and similar charges	-		-	
Net expense before taxation	(102)		(156)	
Taxation	(24)		(30)	
Net expense after taxation		(126)		(186)
<b>Total return before distributions</b>		<b>6,875</b>		<b>(14,501)</b>
Distributions		-		-
<b>Change in net assets attributable to shareholders</b>		<b>6,875</b>		<b>(14,501)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	<u>30 September 2023</u>	<u>30 September 2023</u>	<u>30 September 2022</u>	<u>30 September 2022</u>
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>69,109</b>		<b>106,882</b>
Amounts received on creation of shares	2,226		1,748	
Amounts paid on cancellation of shares	(12,043)		(11,463)	
		(9,817)		(9,715)
Change in net assets attributable to shareholders from investment activities (see above)		6,875		(14,501)
Retained distribution on accumulation shares		-		85
<b>Closing net assets attributable to shareholders</b>		<b>66,167</b>		<b>82,751</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	<u>30 September 2023</u>	<u>31 March 2023</u>
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	64,683	68,971
Current assets		
Debtors	1,002	273
Cash and bank balances	757	183
Total assets	66,442	69,427
<b>Liabilities</b>		
Creditors		
Other creditors	(275)	(318)
Total liabilities	(275)	(318)
<b>Net assets attributable to shareholders</b>	<b>66,167</b>	<b>69,109</b>

# FTF Martin Currie Asia Unconstrained Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value through a combination of income and growth over rolling five-year periods after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least 80% of its assets in shares of companies (equities) and equity related securities that are:

- Listed or traded on markets located in any of mainland China, Hong Kong, India, Indonesia, Malaysia, Pakistan, Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam (“Primary Countries”); or
- Listed or traded on any other market, but which are issued by companies that have significant business operations in, or derive the majority of their business profits from, Primary Countries.

Equity-related securities includes:

- American and global depositary receipts (a type of listed security which enables investors to hold shares in foreign companies).
- Convertible bonds (a type of corporate debt security which can be exchanged for shares in the same organisation).
- Warrants (a type of tradeable contract which gives the right to buy a share at an agreed price within a certain timeframe).

The Fund typically invests in 20 – 40 companies of any size or industry, and the portfolio is constructed without reference to any benchmark or index.

The Fund invests in companies which, in the opinion of the Investment Manager, may benefit from the potential growth of Asian economies and translate that growth into returns for shareholders. The Investment Manager will ordinarily focus on companies with a business franchise which it believes can grow in value, as measured by the company’s free cash flow and retained earnings. The Investment Manager selects companies that it believes offer sustainable growth, strong management and a strategic market position. The Investment Manager focuses on companies which it considers are reasonably valued and which the Fund looks to hold over the long term.

In assessing potential investments, the Investment Manager has developed a method of valuing investments which is based on assessing the company’s long term cash-generating ability. The Investment Manager undertakes due diligence on potential investments including a review of a company’s historic financial records and its corporate governance.

In addition, the Fund may also invest a proportion of its portfolio in cash and cash equivalents, money market instruments and other collective investment schemes (which may include collective investment schemes operated by the ACD or any of its associates). The Fund may not invest more than 10% in other collective investment schemes.

The Fund can use derivatives for efficient portfolio management (managing the Fund in a way that is designed to reduce risk or cost and/or generate extra income or growth). However, the Fund can introduce more speculative investment use of derivatives in the future on 60 days’ notice to investors. Derivatives are financial contracts whose value is linked to the price of another asset (e.g. indices, interest rates, share prices or currencies). Use of derivatives is typically expected to be limited.

In selecting investments, the Investment Manager also assesses environmental, social and governance (“ESG”) factors that could impact the ability of an issuer to generate future sustainable returns. These may include shareholder rights, accounting standards, remuneration, board structure, labour relations, supply chain, data protection, pollution/hazardous waste policies, water usage and climate change policies.

The ESG assessment is quantitative and qualitative, using the Investment Manager’s proprietary ESG rating system, and its direct research and engagement process. The proprietary ESG assessment captures forward looking analysis. Investments are assigned a risk rating based on the Investment Manager’s assessment of ESG factors. Investments are assigned a score of 1 to 5 in respect of each of governance and sustainability (meaning environmental and social factors), with 5 denoting high risk. Investments with a sustainability risk rating of 4 or above will not be selected for the portfolio. The Investment Manager’s assessment of a company’s ESG characteristics may impact the Investment Manager’s view of that company’s financial valuation and attractiveness. Where the Investment Manager identifies areas that do not meet expectations of best practice on material governance or sustainability issues, the Investment Manager will engage with companies to encourage improvement.

The Fund will not invest in:

- Companies which generate more than 5% of revenue from tobacco production
- Companies which generate more than 5% of revenue from direct involvement in extraction of fossil fuels.

## FTF Martin Currie Asia Unconstrained Fund

### INVESTMENT OBJECTIVE & POLICY *(Continued)*

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- Companies which generate revenue from mining of metals and minerals as defined by GICS sub-industries Diversified Metals and Mining, Copper, Gold and Precious Metals and Minerals.
- Companies involved in the production, sale or distribution of dedicated and key components of controversial weapons (i.e. antipersonnel mines, biological and chemical weaponry and cluster munitions).
- Companies assessed as 'fail' under the UN Global Compact.

# FTF Martin Currie Asia Unconstrained Fund

## INVESTMENT REVIEW

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### PERFORMANCE

For the six months to 30 September 2023, the FTF Martin Currie Asia Unconstrained Fund (W Accumulation) delivered a return of -11.76%. In comparison the MSCI AC Asia ex Japan Index delivered -3.32% for the period.

### OVERVIEW

Asian equity markets were broadly weak during the six month period ending 30 September 2023, with varied results across countries and sectors.

India has been strong during the period, with investor confidence increasing as early in the period the central bank announced a pause to the rate-hike cycle and Gross Domestic Product ("GDP") growth grew for the second consecutive quarter. It reported easing inflation in September and ongoing positive data points around its GDP growth and positive economic outlook. Korea continued to deliver positively, benefiting from its higher exposure to the semiconductor sector where there is renewed optimism. Sentiment has shifted towards an expectation that we are close to the bottom of the cycle and the long-term demand from generative artificial intelligence has seen increasing excitement over the quarter. Indonesia, where macroeconomic data has been generally supportive and stock market valuations attractive relative to history, also performed well. On the inverse, China was weaker. Export growth slowed, the housing market has been below expectations and geopolitical concerns continue. However, the Chinese authorities' policy stance has now shifted from "prudent" to "pro-growth" with some stimulus measures introduced in June. It saw pockets of strength later in the period in areas such as domestic electric vehicles and the consumer sector. Additional bright spots were seen in improving infrastructure activity and the announcement of a number of additional policy actions to address the property sector that could signal a recovery in the coming months.

From a sector perspective, information technology was amongst the strongest driven by an improving outlook in the semiconductor sector. Energy was also a strong sector, driven by higher energy prices, with coal companies amongst the strongest beneficiaries. Sectors more geared to a normalisation of the Chinese economy were impacted by the concerns around the pace of recovery. Communication services and consumer discretionary, which respectively include leading Chinese online companies such as Tencent and Alibaba, were weaker over the period.

Although the near-term earnings picture remains more muted, expectations for a strong rebound in 2024 driven by the technology sector are rising. We continue to track earnings revisions trends. Earlier this year, we noted that we were starting to see a resetting of expectations with revisions catching up with reality. During the reporting period, we have seen these metrics stabilise over May and June. Provided the coming results season is broadly in line with these expectations, this stabilisation should bode well for Asian stocks as current valuation levels combined with a stabilising/improving earnings revision cycle have historically been predictive of positive stock market returns in the subsequent 12-month period. It would be confirmatory that forecasts have now caught up with reality and fundamentals will increasingly be in focus – this is supportive of our approach.

### SIGNIFICANT CHANGES

At the end of the reporting period, in sector terms the largest absolute weights were to IT, consumer discretionary and financials. Geographically, China remains the largest weighting. There was one notable purchase over the period: China Resources Mixc Lifestyle Services.

Notable sales included Innox Advanced Materials, Guangdong Investment, Leeno and ENN Energy.

### POSITIVE/NEGATIVE CONTRIBUTORS

The biggest absolute contribution from a country/regional perspective came from Taiwan, while sector wise, information technology was the strongest. At a stock level, Accton Technology, Samsung Electronics and Singapore Technologies Engineering were notable positive contributors to performance.

Holdings in China were a drag on performance and healthcare was the weakest performing sector. Within the portfolio, notable detractors from performance included Shandong Weigao Medical Polymer, ENN Energy and Tencent.

### OUTLOOK

Although the near-term earnings picture remains more muted, expectations for a rebound in 2024 continue. We continue to track earnings revisions trends and have seen some positive revision activity in India and Singapore, whilst China, Thailand and Malaysia remain depressed at lower levels relative to their own history. From a low base, Taiwan is showing an improving trend. Overall this is a more encouraging picture than last quarter and at current market levels, even modest positive signs should underpin share prices if sustained.

# FTF Martin Currie Asia Unconstrained Fund

## INVESTMENT REVIEW *(Continued)*

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Against this backdrop, valuations remain supportive and the risk/reward balance makes us increasingly constructive on the long-term outlook for Asian stocks. We are comfortable with the valuations for current portfolio holdings and excited by their long growth potential. We continue to believe that our unconstrained, long term and high conviction approach will deliver both strong absolute and relative returns over the long term.

**Andrew Graham, Michael Millar, CFA, Tom Wills, CFA & Jes Goh**  
Fund Managers  
30 September 2023

# FTF Martin Currie Asia Unconstrained Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>W Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	100.39	98.74
Return before operating charges <sup>1</sup>	(11.23)	2.13
Operating charges <sup>2</sup>	(0.40)	(0.48)
Return after operating charges <sup>3</sup>	(11.63)	1.65
Distributions	(1.02)	(0.22)
Retained distributions on accumulation shares	1.02	0.22
Closing net asset value per share	88.76	100.39
After direct transaction costs of <sup>4</sup>	(0.05)	(0.08)
<b>Performance</b>		
Return after charges <sup>5</sup>	(11.58)%	1.67%
<b>Other information</b>		
Closing net asset value (£)	40,972,466	49,978,621
Closing number of shares	46,159,692	49,782,816
Operating charges ratio <sup>6</sup>	0.84%	0.93%
Direct transaction costs <sup>4</sup>	0.05%	0.14%
<b>Prices (p)</b>		
Highest share price	100.90	109.01
Lowest share price	87.84	85.45
<b>W Income</b>		
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	96.60	95.22
Return before operating charges <sup>1</sup>	(10.76)	2.05
Operating charges <sup>2</sup>	(0.38)	(0.46)
Return after operating charges <sup>3</sup>	(11.14)	1.59
Distributions	(0.98)	(0.21)
Closing net asset value per share	84.48	96.60
After direct transaction costs of <sup>4</sup>	(0.05)	(0.07)
<b>Performance</b>		
Return after charges <sup>5</sup>	(11.53)%	1.67%
<b>Other information</b>		
Closing net asset value (£)	86,325	89,519
Closing number of shares	102,183	92,665
Operating charges ratio <sup>6</sup>	0.85%	0.92%
Direct transaction costs <sup>4</sup>	0.05%	0.14%
<b>Prices (p)</b>		
Highest share price	97.09	104.90
Lowest share price	83.96	82.41

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

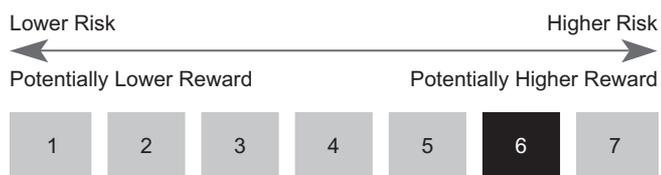
6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

\* The Fund launched on 23 September 2022. The opening net asset value per share is calculated from the merger price.

# FTF Martin Currie Asia Unconstrained Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Martin Currie Asia Unconstrained Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 95.64% (96.49%)</b>		
	<b>ASIA 95.64% (96.49%)</b>		
	<b>CHINA</b>		
228,000	Alibaba .....	2,042	4.97
313,000	China Resources Mixc Lifestyle Services .....	1,035	2.52
2,029,760	CSPC Pharmaceutical .....	1,219	2.97
54,600	JD.com .....	657	1.60
644,000	Minth .....	1,358	3.31
250,500	Ping An Insurance of China .....	1,174	2.86
1,547,600	Shandong Weigao Medical Polymer .....	1,112	2.71
109,300	Shenzhou International .....	855	2.08
106,000	Tencent .....	3,395	8.27
644,000	Tongcheng Travel .....	1,157	2.82
700,000	TravelSky Technology .....	994	2.42
		<u>14,998</u>	<u>36.53</u>
	<b>HONG KONG</b>		
303,400	AIA .....	2,025	4.93
146,500	Techtronic Industries .....	1,165	2.84
		<u>3,190</u>	<u>7.77</u>
	<b>INDIA</b>		
183,705	HDFC Bank .....	2,765	6.73
	<b>INDONESIA</b>		
4,696,400	Telkom Indonesia Persero .....	934	2.28
	<b>SINGAPORE</b>		
734,600	Singapore Technologies Engineering .....	1,724	4.20
1,500,600	Singapore Telecommunications .....	2,180	5.31
59,476	United Overseas Bank .....	1,017	2.48
56,700	Venture .....	421	1.02
		<u>5,342</u>	<u>13.01</u>
	<b>SOUTH KOREA</b>		
6,910	Hansol Chemical .....	704	1.72
3,511	LG Chem .....	1,058	2.58
2,193	LG Energy Solution .....	634	1.54
96,698	Samsung Electronics .....	4,016	9.78
		<u>6,412</u>	<u>15.62</u>
	<b>TAIWAN</b>		
129,000	Accton Technology .....	1,613	3.93
303,000	Taiwan Semiconductor Manufacturing .....	4,014	9.77
		<u>5,627</u>	<u>13.70</u>
	TOTAL - ASIA	<u>39,268</u>	<u>95.64</u>
	TOTAL - EQUITIES	<u>39,268</u>	<u>95.64</u>
	<b>TOTAL VALUE OF INVESTMENTS</b> .....	<b>39,268</b>	<b>95.64</b>
	<b>OTHER ASSETS</b> .....	<b>1,791</b>	<b>4.36</b>
	<b>TOTAL NET ASSETS</b> .....	<b>41,059</b>	<b>100.00</b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

# FTF Martin Currie Asia Unconstrained Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	<u>30 September 2023</u>	<u>30 September 2023</u>	<u>30 September 2022</u>	<u>30 September 2022*</u>
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(6,236)		(2,289)
Revenue	742		7	
Expenses	(195)		(10)	
Interest payable and similar charges	-		-	
Net revenue/(expense) before taxation	547		(3)	
Taxation	(11)		(1)	
Net revenue/(expense) after taxation		536		(4)
<b>Total return before distributions</b>		<b>(5,700)</b>		<b>(2,293)</b>
Distributions		(500)		-
<b>Change in net assets attributable to shareholders</b>		<b>(6,200)</b>		<b>(2,293)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	<u>30 September 2023</u>	<u>30 September 2023</u>	<u>30 September 2022</u>	<u>30 September 2022*</u>
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>50,068</b>		<b>-</b>
Amounts received on creation of shares	240		54,888	
Amounts paid on cancellation of shares	(3,539)		(474)	
		(3,299)		54,414
Change in net assets attributable to shareholders from investment activities (see above)		(6,200)		(2,293)
Retained distribution on accumulation shares		490		-
<b>Closing net assets attributable to shareholders</b>		<b>41,059</b>		<b>52,121</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	<u>30 September 2023</u>	<u>31 March 2023*</u>
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	39,268	48,310
Current assets		
Debtors	103	98
Cash and bank balances	1,826	2,140
Total assets	41,197	50,548
<b>Liabilities</b>		
Creditors		
Other creditors	(138)	(480)
Total liabilities	(138)	(480)
<b>Net assets attributable to shareholders</b>	<b>41,059</b>	<b>50,068</b>

\* The Fund launched on 23 September 2022.

# FTF Martin Currie Asia Unconstrained Fund

## DISTRIBUTION TABLES For the period 1 April 2023 to 30 September 2023

### For the period 1 April 2023 to 30 June 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased in the period 1 April 2023 to 30 June 2023

	Net Income	Equalisation	30 June 2023 Pence per Share	30 June 2022 Pence per Share
	p	p	p	p
<b>W Accumulation Shares</b>				
Group 1	0.6476	-	0.6476	-
Group 2	0.5982	0.0494	0.6476	-
<b>W Income Shares</b>				
Group 1	0.6233	-	0.6233	-
Group 2	0.1033	0.5200	0.6233	-

### For the period 1 July 2023 to 30 September 2023

Group 1 Shares purchased prior to 1 July 2023

Group 2 Shares purchased in the period 1 July 2023 to 30 September 2023

	Net Income	Equalisation	30 September 2023 Pence per Share	30 September 2022 Pence per Share
	p	p	p	p
<b>W Accumulation Shares</b>				
Group 1	0.3723	-	0.3723	-
Group 2	0.2265	0.1458	0.3723	-
<b>W Income Shares</b>				
Group 1	0.3559	-	0.3559	-
Group 2	0.3559	0.0000	0.3559	-

### Equalisation

All shareholders, within each share category, receive the same distribution per share, although the distribution to shareholders who purchased shares during the distribution period (Group 2 holdings) contains an element of equalisation which is a repayment, at an average rate per share, of the amount of accrued net income which was included in the purchase price of such shares. As the nature of this payment is capital it is not subject to income tax but must be deducted from the purchase price in any capital gains tax computation on the sale of the shares.

# FTF Martin Currie Emerging Markets Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value by more than the MSCI Emerging Markets Index (“Index”) over rolling three-year periods, after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least 80% of its assets in shares of companies which are domiciled or conduct their principal activities in emerging markets (countries whose economy and financial markets are still developing). The Fund typically invests in shares of around 40 – 60 companies of any size or industry. The Fund may invest in shares of Chinese companies.

Exposure to these shares will typically be direct (purchasing the relevant shares themselves) but may also be indirect (gaining exposure to the shares through other investments). Indirect investments include:

- Convertible bonds (a type of corporate bond which can be exchanged for shares in the same organisation).
- Depositary receipts (a type of listed security which enables investors to hold shares in foreign companies).
- Other collective investment schemes (which may include collective investment schemes operated by the ACD or any of its associates). The Fund may not invest more than 10% in other collective investment schemes.

The Fund’s portfolio may include some overlap with the Index but does not intend to replicate it and may vary considerably. The Fund may include shares and countries that are not included in the Index.

In addition, the Fund may also invest a proportion of its portfolio in other transferable securities including fixed interest and other debt related securities, cash and cash equivalents, money market instruments and other collective investment schemes (which may include collective investment schemes operated by the ACD or any of its associates). The Fund may not invest more than 10% in other collective investment schemes.

The Fund can use derivatives for efficient portfolio management (managing the Fund in a way that is designed to reduce risk or cost and/or generate extra income or growth). However, the Fund can introduce more speculative investment use of derivatives in the future on 60 days’ notice to investors. Derivatives are financial contracts whose value is linked to the price of another asset (e.g. indices, interest rates, share prices or currencies). Use of derivatives is typically expected to be limited.

In selecting investments, the Investment Manager seeks to identify investment opportunities based on the investment merit of each underlying company. The Investment Manager uses its proprietary research to identify companies with strong management of environmental, social and governance (“ESG”) risks and a business strategy directed toward sustaining profit growth over the long term.

The Investment Manager also assesses ESG factors that could impact the ability of an issuer to generate future sustainable returns. These may include shareholder rights, accounting standards, remuneration, board structure, labour relations, supply chain, data protection, pollution/hazardous waste policies, water usage and climate change policies.

The ESG assessment is quantitative and qualitative, using the Investment Manager’s proprietary ESG rating system and its direct research and engagement process. The proprietary ESG assessment captures forward looking analysis. Investments are assigned a risk rating based on the Investment Manager’s assessment of ESG factors. Investments are assigned a score of 1 to 5 in respect of each of governance and sustainability (meaning environmental and social factors), with 5 denoting high risk. Investments with a governance or sustainability risk rating of 4 or above will not be selected for the portfolio. The Investment Manager’s assessment of a company’s ESG characteristics may impact the Investment Manager’s view of that company’s financial valuation and attractiveness.

Where the Investment Manager identifies areas that do not meet expectations of best practice on material governance or sustainability issues, the Investment Manager will engage with companies to encourage improvement.

The Fund will not invest in:

- Companies which generate more than 5% of revenue from tobacco production, distribution or wholesale trading.
- Companies which generate more than 5% of revenue from the production or distribution of weapons.
- Companies which generate more than 5% of revenue from coal-based power generation or the mining or distribution of thermal coal.
- Companies involved in the production, sale or distribution of dedicated and key components of controversial weapons (i.e. antipersonnel mines, biological and chemical weaponry and cluster munitions).

## FTF Martin Currie Emerging Markets Fund

### INVESTMENT OBJECTIVE & POLICY *(Continued)*

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- Companies assessed as 'fail' under the UN Global Compact.

# FTF Martin Currie Emerging Markets Fund

## INVESTMENT REVIEW

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### PERFORMANCE

For the six months to 30 September 2023, the FTF Martin Currie Emerging Markets Fund (W Accumulation) delivered a return of -5.36% against the MSCI Emerging Markets Net Dividends Index (GBP) return of -0.78%.

### OVERVIEW

The performance of emerging markets diverged by region during the six-month period ending 30 September 2023. Concerns around inflation continued to affect the global economy. In the earlier part of the period, hopes of a move away from the cycle of US rate rises diminished as the Federal Reserve signalled that continued tightening monetary policy seemed likely. At the country level, India was among the stronger regions. Its central bank announced a pause to its rate-hike cycle. This was taken as a positive signal, and GDP growth has continued into the second quarter. Brazil was strong during the period, with GDP growth for the first quarter of 2023 (reported during the second quarter) was ahead of expectations, and the central bank made an upward revision to its GDP growth forecast for 2023. Taiwan's and Korea's high weighting to the semiconductor space meant both regions benefited from an improvement in sentiment. This was driven in part by the long-term demand opportunity created by generative artificial intelligence (AI). On the downside, China was weaker in the second quarter after having had a strong start to the calendar year. Export growth slowed, and the housing market continues to disappoint. However, the Chinese authorities' policy stance has now shifted from "prudent" to "pro-growth". Some measures have already been introduced, and the market forecasts that further supportive policies will be announced during July.

The latter part of the period continued to be challenging for emerging markets. There was a strong divergence of styles, with the emerging markets value index strongly outperforming growth. Against this backdrop, the energy sector was amongst the stronger performing sectors, however this was predominantly driven by companies that are heavy polluters and benefitted from high oil prices. India continued to be one of the stronger countries, with easing inflation reported in September and ongoing positive data points around its GDP growth and positive economic outlook. China remained one of the weaker performing countries. Concerns remain around the economic outlook and exports have remained softer as global demand continues to lag. However, there were some bright spots, with improving infrastructure activity and stable consumption reported. Policy actions were also announced to address the property sector that could signal a recovery in coming months.

### SIGNIFICANT CHANGES

At the end of the reporting period, the portfolio's largest active weights were to Korea and India at a regional level, and IT and financials at a sector level. Purchases over the period included Capitec, Dr Sulaiman Al-Habib Medical Services, BNI and Tata Consultancy. Notable sales were Brilliance China, Jio Financial Services, ENN Energy, SEA and LG Household and Health Care.

### POSITIVE/NEGATIVE CONTRIBUTORS

At a country level, Brazil was a strong positive for the portfolio in relative terms over the six months. At a sector level, our underweight in industrials provided the strongest contribution. In stock terms, Brazilian industrials company WEG was the top performer. Korean semiconductor company SK Hynix and Indian energy company Reliance Industries also fared well.

China and Taiwan were the biggest detractors in regional terms over the period. The consumer discretionary sector was the most notable detractor at a sector level. Within the portfolio, internet/platform companies were the main stock detractors from relative performance, notable Meituan. Materials company LG Chem was also detractive.

### OUTLOOK

Due to its prominence in the region, China remains a key determinant of the emerging markets equity outlook. The tight fiscal and monetary policy employed throughout the pandemic, combined with restrictive Covid policies led to subdued growth and lower confidence in Chinese equities. This also impacted the perception of the broader emerging markets asset class.

However, as we entered 2023, China made a clear policy shift, something the market had been hoping for. The government announced several measures, including the relaxation of its "zero-Covid" policy and definitive support for the troubled property sector. Although there continues to be some scepticism in the market around the pace of recovery, we continue to monitor the situation and remain constructive on our Chinese holdings. We continue to view China as an interesting space, with easing policy and the potential for a significant economic rebound as the government shifts its priority towards growth in domestic consumption.

As we move into the second half of 2023, emerging market stocks have re-rated since but are still trading at a discount to developed markets below the average of the last decade. Although growth expectations globally remain lower as the impact of higher interest rates is expected to weigh on consumption, regional expectations are starting to diverge. Emerging markets are forecast to outgrow advanced economies, especially in emerging markets Asia. Emerging market companies are seeing green shoots in the earnings cycle. As we exited the first quarter results season, we have seen upgrades to areas such as Chinese internet companies and Indian banks. The divergence of economic cycles is likely to attract investors back to emerging markets.

# FTF Martin Currie Emerging Markets Fund

## INVESTMENT REVIEW *(Continued)*

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Reflecting this, our portfolio positioning has remained broadly unchanged, with strong domestic exposure in both China and India. We continue to find attractive investment opportunities across a broad range of countries and industries. Because our investment horizon focuses on the longer term, we remain excited by the powerful combination of technology adoption, urbanisation and services sector growth that is evident in emerging markets. We expect our highly selective, stock-focused approach will prosper through accessing companies with a high return on equity that operate in structurally growing industries.

**Alastair Reynolds CFA, Divya Mathur CFA, Andrew Mathewson CFA, Colin Dishington CFA, Paul Desoisa CFA, Paul Sloane & Aimee Truesdale**  
Fund Managers  
30 September 2023

# FTF Martin Currie Emerging Markets Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>EB Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	119.92	119.34
Return before operating charges <sup>1</sup>	(5.74)	1.01
Operating charges <sup>2</sup>	(0.30)	(0.43)
Return after operating charges <sup>3</sup>	(6.04)	0.58
Distributions	-	(0.79)
Retained distributions on accumulation shares	-	0.79
Closing net asset value per share	113.88	119.92
After direct transaction costs of <sup>4</sup>	(0.07)	(0.09)
<b>Performance</b>		
Return after charges <sup>5</sup>	(5.04)%	0.49%
<b>Other information</b>		
Closing net asset value (£)	605	637
Closing number of shares	531	531
Operating charges ratio <sup>6</sup>	0.50%	0.70%
Direct transaction costs <sup>4</sup>	0.06%	0.15%
<b>Prices (p)</b>		
Highest share price	123.05	128.47
Lowest share price	112.31	106.26

<u>W Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	379.81	378.81
Return before operating charges <sup>1</sup>	(18.08)	3.21
Operating charges <sup>2</sup>	(1.53)	(2.21)
Return after operating charges <sup>3</sup>	(19.61)	1.00
Distributions	-	-
Retained distributions on accumulation shares	-	-
Closing net asset value per share	360.20	379.81
After direct transaction costs of <sup>4</sup>	(0.21)	(0.30)
<b>Performance</b>		
Return after charges <sup>5</sup>	(5.16)%	0.26%
<b>Other information</b>		
Closing net asset value (£)	16,446,632	13,479,651
Closing number of shares	4,565,994	3,549,023
Operating charges ratio <sup>6</sup>	0.82%	1.13%
Direct transaction costs <sup>4</sup>	0.06%	0.15%
<b>Prices (p)</b>		
Highest share price	389.42	407.12
Lowest share price	355.35	337.07

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

# FTF Martin Currie Emerging Markets Fund

## COMPARATIVE TABLES *(Continued)*

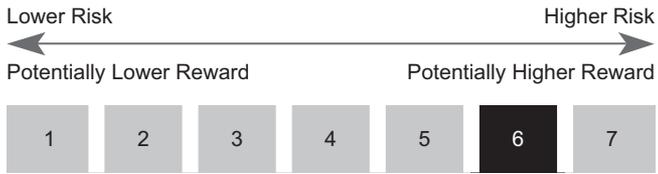
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\* The Fund launched on 23 September 2022. The opening net asset value per share is calculated from the merger price.

# FTF Martin Currie Emerging Markets Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Martin Currie Emerging Markets Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 99.20% (99.53%)</b>		
	<b>AFRICA 0.80% (0.00%)</b>		
	<b>SOUTH AFRICA</b>		
1,756	Capitec Bank .....	131	0.80
	TOTAL - AFRICA .....	131	0.80
	<b>ASIA 79.61% (82.07%)</b>		
	<b>CHINA</b>		
44,928	Alibaba .....	402	2.44
2,980	Alibaba ADR <sup>†</sup> .....	212	1.29
80,000	China Merchants Bank .....	274	1.66
11,320	Contemporary Amperex Technology .....	258	1.57
2,974	JD.com .....	36	0.22
6,436	JD.com ADR <sup>†</sup> .....	154	0.94
28,296	Meituan .....	339	2.06
78,000	Minth .....	164	1.00
124,100	Ping An Bank .....	156	0.95
73,500	Ping An Insurance of China .....	345	2.10
76,500	Shanghai Fosun Pharmaceutical .....	147	0.89
22,500	Shenzhen Inovance Technology .....	168	1.02
33,064	Tencent .....	1,059	6.44
53,000	Wuxi Biologics Cayman .....	253	1.54
16,600	Wuxi Lead Intelligent Equipment .....	51	0.31
166,000	Xinyi Solar .....	102	0.62
		4,120	25.05
	<b>HONG KONG</b>		
56,701	AIA .....	378	2.30
	<b>INDIA</b>		
7,453	Asian Paints .....	233	1.42
44,188	HDFC Bank .....	665	4.04
53,974	ICICI Bank .....	507	3.08
16,059	Kotak Mahindra Bank .....	275	1.67
2,849	Maruti Suzuki India .....	298	1.81
19,384	Reliance Industries .....	448	2.73
2,332	Tata Consultancy Services .....	81	0.49
15,298	Titan .....	475	2.89
2,629	UltraTech Cement .....	214	1.30
		3,196	19.43
	<b>INDONESIA</b>		
307,500	Bank Negara Indonesia Persero .....	168	1.02
1,247,435	Bank Rakyat Indonesia Persero .....	346	2.11
869,200	Telkom Indonesia Persero .....	173	1.05
		687	4.18
	<b>PHILIPPINES</b>		
111,990	Robinsons Retail .....	76	0.46
	<b>SOUTH KOREA</b>		
858	LG Chem .....	259	1.57
195	LG Energy Solution .....	56	0.34
1,175	NAVER .....	144	0.88
1,393	Samsung Electronics .....	1,438	8.74
586	Samsung SDI .....	182	1.11
7,779	SK Hynix .....	542	3.30
		2,621	15.94

## FTF Martin Currie Emerging Markets Fund

### PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>TAIWAN</b>		
32,000	Delta Electronics .....	263	1.60
21,000	Globalwafers .....	242	1.47
114,000	Taiwan Semiconductor Manufacturing .....	1,510	9.18
		<u>2,015</u>	<u>12.25</u>
	TOTAL - ASIA	<u>13,093</u>	<u>79.61</u>
	<b>CENTRAL AMERICA 4.58% (4.35%)</b>		
	<b>MEXICO</b>		
47,300	Grupo Financiero Banorte .....	326	1.98
78,866	Orbia Advance .....	134	0.81
94,900	Wal-Mart de Mexico .....	294	1.79
		<u>754</u>	<u>4.58</u>
	TOTAL - CENTRAL AMERICA	<u>754</u>	<u>4.58</u>
	<b>MIDDLE EAST 2.28% (1.81%)</b>		
	<b>SAUDI ARABIA</b>		
19,369	Al Rajhi Bank .....	287	1.74
1,707	Dr Sulaiman Al Habib Medical Services .....	88	0.54
		<u>375</u>	<u>2.28</u>
	TOTAL - MIDDLE EAST	<u>375</u>	<u>2.28</u>
	<b>NORTH AMERICA 0.75% (1.39%)</b>		
	<b>UNITED STATES OF AMERICA</b>		
586	EPAM Systems .....	123	0.75
	TOTAL - NORTH AMERICA	<u>123</u>	<u>0.75</u>
	<b>SOUTH AMERICA 11.18% (9.91%)</b>		
	<b>BRAZIL</b>		
131,900	B3 - Brasil Bolsa Balcao .....	265	1.61
111,600	Cosan .....	312	1.90
78,700	Odontoprev .....	140	0.85
62,700	WEG .....	372	2.26
		<u>1,089</u>	<u>6.62</u>
	<b>CHILE</b>		
22,878	Antofagasta .....	327	1.99
	<b>PERU</b>		
1,806	Credicorp .....	189	1.15
	<b>URUGUAY</b>		
1,444	Globant .....	234	1.42
	TOTAL - SOUTH AMERICA	<u>1,839</u>	<u>11.18</u>
	TOTAL - EQUITIES	<u>16,315</u>	<u>99.20</u>
	<b>TOTAL VALUE OF INVESTMENTS</b> .....	<u>16,315</u>	<u>99.20</u>
	<b>OTHER ASSETS</b> .....	<u>132</u>	<u>0.80</u>
	<b>TOTAL NET ASSETS</b> .....	<u>16,447</u>	<u>100.00</u>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

† American Depositary Receipt.

# FTF Martin Currie Emerging Markets Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(1,017)		(626)
Revenue	218		-	
Expenses	(66)		(4)	
Interest payable and similar charges	-		-	
Net revenue/(expense) before taxation	152		(4)	
Taxation	(38)		-	
Net revenue/(expense) after taxation		114		(4)
<b>Total return before distributions</b>		<b>(903)</b>		<b>(630)</b>
Distributions		-		-
<b>Change in net assets attributable to shareholders</b>		<b>(903)</b>		<b>(630)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>13,480</b>		<b>-</b>
Amounts received on creation of shares	4,917		14,657	
Amounts paid on cancellation of shares	(1,053)		(8)	
		3,864		14,649
Dilution adjustment		6		-
Change in net assets attributable to shareholders from investment activities (see above)		(903)		(630)
Retained distribution on accumulation shares		-		-
<b>Closing net assets attributable to shareholders</b>		<b>16,447</b>		<b>14,019</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023*
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	16,315	13,417
Current assets		
Debtors	192	66
Cash and bank balances	134	45
Total assets	16,641	13,528
<b>Liabilities</b>		
Creditors		
Other creditors	(194)	(48)
Total liabilities	(194)	(48)
<b>Net assets attributable to shareholders</b>	<b>16,447</b>	<b>13,480</b>

\* The Fund launched on 23 September 2022.

# FTF Martin Currie European Unconstrained Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value over five years or more after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least 80% of its assets in shares of companies which are domiciled, listed or conduct a significant proportion of their business in European countries (excluding the United Kingdom).

The Fund typically invests in shares of around 20-40 companies of any size, industry or market capitalisation although the Investment Manager may invest in fewer or more companies where it considers this to be in the interests of the Fund. The portfolio is constructed without reference to any benchmark or index.

Exposure to these shares will typically be direct (purchasing the relevant shares themselves) but may also be indirect (gaining exposure to the shares through other investments). Indirect investments include:

- Convertible bonds (a type of corporate bond which can be exchanged for shares in the same organisation).
- Depositary receipts (a type of listed security which enables investors to hold shares in foreign companies).
- Other collective investment schemes (which may include collective investment schemes operated by the ACD or any of its associates). The Fund may not invest more than 10% in other collective investment schemes.

The Fund invests in companies which, in the opinion of the Investment Manager:

- have the potential to generate or sustain a return on invested capital where the return is higher than the cost of capital;
- have the potential to develop an attractive growth profile and/or cash flow generation over the long term; and
- have supportive accounting and environmental, social and governance (ESG) practices.

In assessing potential investments, the Investment Manager evaluates the companies for the above characteristics and assesses a company's value by looking at a wide range of financial and economic factors at the level of the relevant company, its sector and the broader economy (a fundamental approach). The Investment Manager focuses on forecasting a company's potential growth and returns, based on research and due diligence and using the Investment Manager's proprietary research platform. In addition, the Investment Manager seeks to identify specific sectors which it believes have the possibility of generating attractive growth or returns.

The Fund aims to hold investments for the long term, with relatively low portfolio turnover. The Investment Manager may also engage with the management of the companies in which the Fund invests or may invest, to discuss potential sources of value creation.

In addition, the Fund may also invest a proportion of its portfolio in shares of other companies, other equity related securities, cash and cash equivalents, money market instruments and other collective investment schemes.

The Fund can use derivatives for efficient portfolio management (managing the Fund in a way that is designed to reduce risk or costs and/or generate extra income or growth). However, the Fund can introduce more speculative investment use of derivatives in the future on 60 days' notice to investors. The Fund will not take short positions (a technique where investors seek to profit from decreases in value of securities, indices, currencies and/or index rates). Use of derivatives is typically expected to be limited.

In selecting investments, the Investment Manager also assesses ESG factors that could impact the ability of an issuer to generate future sustainable returns. These may include shareholder rights, accounting standards, remuneration, board structure, labour relations, supply chain, data protection, pollution/hazardous waste policies, water usage and climate change policies.

The ESG assessment is quantitative and qualitative, using the Investment Manager's proprietary ESG rating system and its direct research and engagement process. The proprietary ESG assessment captures forward looking analysis. Investments are assigned a risk rating based on the Investment Manager's assessment of ESG factors. Investments are assigned a score of 1 to 5 in respect of each of governance and sustainability (meaning environmental and social factors), with 5 denoting high risk. Investments with a governance or sustainability risk rating of 4 or above will not be selected for the portfolio.

The Investment Manager's assessment of a company's ESG characteristics may impact the Investment Manager's view of that company's financial valuation and attractiveness.

Where the Investment Manager identifies areas that do not meet expectations of best practice on material governance or sustainability issues, the Investment Manager will engage with companies to encourage improvement.

## FTF Martin Currie European Unconstrained Fund

### INVESTMENT OBJECTIVE & POLICY *(Continued)*

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The Fund will not invest in:

- Companies which generate more than 5% of revenue from tobacco production, distribution or wholesale trading.
- Companies which generate revenue from the production or distribution of controversial weapons (i.e. antipersonnel mines, nuclear weaponry, biological and chemical weaponry and cluster munitions).
- Companies which generate more than 5% of revenue from the production or distribution of conventional weapons.
- Companies which generate more than 5% of revenue from the production or distribution of fossil fuels.
- Companies which generate revenue from mining of metals and minerals as defined by GICS sub-industries Diversified Metals and Mining, Copper, Gold and Precious Metals and Minerals.
- Companies generating more than 5% revenue from coal based power generation or the mining or distribution of thermal coal.
- Companies that generate 15% or more of their revenues from nuclear power generation.
- Companies assessed as 'fail' under the UN Global Compact.

# FTF Martin Currie European Unconstrained Fund

## INVESTMENT REVIEW

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### PERFORMANCE

For the six months to 30 September 2023, the FTF Martin Currie European Unconstrained Fund (W Accumulation) delivered a return of -8.76%. In comparison the MSCI Europe ex-UK Net Dividends Index (GBP), delivered -1.96% for the period.

### OVERVIEW

The global equity market delivered positive returns over the six month period ending 30 September 2023, with markets initially performing well but taking a down-turn in the latter half of the period. Initially, from a regional perspective, US equities outperformed ex US and European equities, while developed markets outperformed emerging markets. In terms of style leadership, Growth continued to outperform Value in global equities. However, this was much more pronounced in the US thanks to a handful of large-cap technology stocks that have extended their year-to-date rally on rising expectations of generative artificial intelligence (AI), which highlights some narrowness in the market. In contrast, emerging market (EM) stocks finished the quarter with a small gain due to fading enthusiasm over China's immediate recovery.

As headline inflation continued to decline, central banks moderated the extent of interest rate hikes over the early part of the reporting period. The US Federal Reserve (Fed) only hiked by 25 basis points (bps) before pausing in June, whilst the European Central Bank (ECB) delivered two smaller hikes of 25bps in the face of persistent core inflation. However, Fed chair Jay Powell hinted two more hikes may be necessary this year as the labour market and the US economy remained robust. We anticipate further volatility to be driving central bank policies for the rest of the year, as a result of a debate on how close we are to the end of the rate hike cycle. There were further concerns around US regional banks which weighed on the market. The prospect of a collapse of First Republic Bank became apparent in April, at which point JP Morgan stepped in to purchase the company. In May, the US debt ceiling negotiations affected sentiment before an agreement was reached early June to lift the debt ceiling for two years with spending cuts.

Moving into the latter part of the reporting period, global equity markets sold off on the back of a move higher in bond yields from August to September, primarily driven by the solid economic data from the US, and a more hawkish tone at September's Federal Open Market Committee (FOMC) press conference. From a regional perspective, developed markets and emerging markets were down by a similar extent. In terms of style performance, Growth fell more than Value in global equities, with the latter supported by an energy sector rally.

During this latter part of the period, 'data dependency' rhetoric from the major central banks led to further speculation on the number of rate hikes still to come. The market initially hoped that central banks would pivot by the end of 2023. Both the Fed and ECB raised rates by 25 bps in July, which left the market digesting the likelihood of a further rate hike later this year and a more restrictive policy for 2024. However, while the Fed paused its rate hiking cycle in September, the ECB went on to raise rates by another 25bps. This more hawkish stance was driven by the risks of stickier inflation (given the tight labour market across both continents) and led to a shift upwards in interest rate expectations.

This backdrop proved challenging for long duration Quality Growth stocks and was the primary driver of the underperformance for the quarter, in our view. While we are disappointed by such volatility, we note that Quality Growth should be supported in general as we move nearer to the end of the rate hiking cycle. Importantly, as long-term investors, we are confident that the portfolio consists of high return compounding business with continued solid fundamentals and outlook. They are well positioned to benefit from structural growth drivers in a low growth environment.

### SIGNIFICANT CHANGES

At the end of the period, the portfolio's largest sector exposures remain in information technology and consumer discretionary. At a country level, France and Italy represented the portfolio's biggest country weight in absolute terms. Over the period we bought BE Semiconductor Industries and Adyen. We exited Allfunds and Kerry.

### POSITIVE/NEGATIVE CONTRIBUTORS

At a sector level, industrials was the strongest in absolute terms. Switzerland was the strongest country. At a stock level, Italy's luxury car manufacturer Ferrari, UK financial firm Partners and Irish building materials company Kingspan were the most notable positives.

France was the largest detractor from a country perspective within the portfolio. Healthcare was the weakest sector. In portfolio holding terms, Dutch payment platform Adyen, laboratory equipment manufacturer Mettler-Toledo International and French luxury goods group Kering were most detractive.

### OUTLOOK

While much of the positive investor sentiment during the first half of 2023 came from expectations that the US federal funds rate might be close to peaking, we believe inflation could remain higher and longer lasting generally. It will be critical to continue to observe wage inflation trends, as these have the potential to turn inflation into a more structural rather than frictional phenomena.

# FTF Martin Currie European Unconstrained Fund

## INVESTMENT REVIEW *(Continued)*

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We still believe central banks (both the Fed and the ECB notably) are unlikely to pivot until sometime in H2 2024. Central banks have now shifted to being more data-dependent, which will bring more volatility with every data point. We note that expectations of rate cuts in 2023 have now evaporated, and also note that expectations of a rapid shift towards cuts in H1 2024 have now been pushed into H2, closer to our initial and current view. In any case, whether we see a pivot early in 2024, or later on that year, we are closer to the end of the rate hike cycle, which we forecast to happen by the end of this year. This should itself be supportive for Quality and Growth stocks in our view.

In terms of the macroeconomic cycle, China's reopening supported our central scenario of a sharp slowdown rather than recession at the global and US level during the first part of the year. Despite the recent loss of momentum on Chinese leading indicators, we expect the Chinese economy to grow at +5-6% this year, albeit more likely at the bottom end of that range, which should in itself be fairly supportive. At the same time, the US economy has been showing impressive resilience, confounding the sceptics and with growth of c.2% expected this year. This has led to a more supportive backdrop for global growth. Europe, being more cyclically exposed to China, has experienced a weaker momentum generally, with the region being closer to the stagflation scenario that we had predicted as most likely. However, we note that more economists, market commentators and central bankers are now moving towards our view that a recession in 2023 could be averted.

**Zehrid Osmani & Sam Cottrell, CFA**  
Fund Managers  
30 September 2023

# FTF Martin Currie European Unconstrained Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>EB Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	162.75	134.82
Return before operating charges <sup>1</sup>	(14.95)	28.30
Operating charges <sup>2</sup>	(0.32)	(0.37)
Return after operating charges <sup>3</sup>	(15.27)	27.93
Distributions	(0.88)	(0.12)
Retained distributions on accumulation shares	0.88	0.12
Closing net asset value per share	147.48	162.75
After direct transaction costs of <sup>4</sup>	(0.05)	(0.04)
<b>Performance</b>		
Return after charges <sup>5</sup>	(9.38)%	20.72%
<b>Other information</b>		
Closing net asset value (£)	29,701,602	45,354,073
Closing number of shares	20,139,914	27,866,964
Operating charges ratio <sup>6</sup>	0.40%	0.48%
Direct transaction costs <sup>4</sup>	0.03%	0.05%
<b>Prices (p)</b>		
Highest share price	165.66	164.26
Lowest share price	144.28	131.11
<u>W Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	719.02	596.84
Return before operating charges <sup>1</sup>	(65.98)	125.21
Operating charges <sup>2</sup>	(2.81)	(3.03)
Return after operating charges <sup>3</sup>	(68.79)	122.18
Distributions	(3.14)	-
Retained distributions on accumulation shares	3.14	-
Closing net asset value per share	650.23	719.02
After direct transaction costs of <sup>4</sup>	(0.20)	(0.16)
<b>Performance</b>		
Return after charges <sup>5</sup>	(9.57)%	20.47%
<b>Other information</b>		
Closing net asset value (£)	20,000,703	24,536,065
Closing number of shares	3,075,920	3,412,413
Operating charges ratio <sup>6</sup>	0.80%	0.88%
Direct transaction costs <sup>4</sup>	0.03%	0.05%
<b>Prices (p)</b>		
Highest share price	731.35	726.12
Lowest share price	636.17	580.30

# FTF Martin Currie European Unconstrained Fund

## COMPARATIVE TABLES (Continued)

<u>W Income</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	560.38	465.16
Return before operating charges <sup>1</sup>	(51.20)	97.58
Operating charges <sup>2</sup>	(2.19)	(2.36)
Return after operating charges <sup>3</sup>	(53.39)	95.22
Distributions	(2.45)	-
Closing net asset value per share	504.54	560.38
After direct transaction costs of <sup>4</sup>	(0.16)	(0.12)
<b>Performance</b>		
Return after charges <sup>5</sup>	(9.53)%	20.47%
<b>Other information</b>		
Closing net asset value (£)	1,296,088	2,254,681
Closing number of shares	256,883	402,347
Operating charges ratio <sup>6</sup>	0.80%	0.88%
Direct transaction costs <sup>4</sup>	0.03%	0.05%
<b>Prices (p)</b>		
Highest share price	569.99	565.91
Lowest share price	493.63	452.27

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

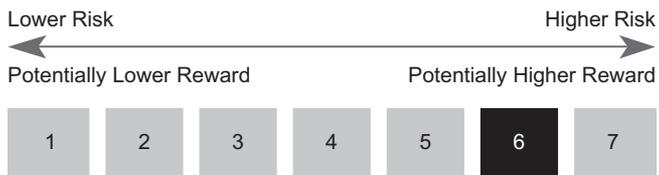
6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

\* The Fund launched on 23 September 2022. The opening net asset value per share is calculated from the merger price.

# FTF Martin Currie European Unconstrained Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Martin Currie European Unconstrained Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 99.53% (99.73%)</b>		
	<b>EUROPE - NON EU 4.44% (3.17%)</b>		
	<b>SWITZERLAND</b>		
2,445	Partners .....	2,265	4.44
	TOTAL - EUROPE - NON EU	2,265	4.44
	<b>EUROPE - OTHER EU 80.41% (79.92%)</b>		
	<b>DENMARK</b>		
22,512	Coloplast .....	1,957	3.84
	<b>FRANCE</b>		
79,212	Dassault Systemes .....	2,425	4.75
5,195	Kering .....	1,946	3.82
7,088	L'Oreal .....	2,417	4.74
9,982	Pernod Ricard .....	1,367	2.68
11,583	Sartorius Stedim Biotech .....	2,269	4.45
		10,424	20.44
	<b>GERMANY</b>		
45,427	Infineon Technologies .....	1,235	2.42
39,407	Nemetschek .....	1,985	3.89
		3,220	6.31
	<b>IRELAND</b>		
39,805	Kingspan .....	2,450	4.81
	<b>ITALY</b>		
21,087	Ferrari .....	5,116	10.03
87,753	Moncler .....	4,193	8.22
		9,309	18.25
	<b>NETHERLANDS</b>		
1,388	Adyen .....	850	1.67
9,705	ASML .....	4,707	9.23
15,911	BE Semiconductor Industries .....	1,283	2.51
		6,840	13.41
	<b>SWEDEN</b>		
134,684	Assa Abloy .....	2,417	4.74
229,635	Atlas Copco .....	2,555	5.01
261,115	Hexagon .....	1,837	3.60
		6,809	13.35
	TOTAL - EUROPE - OTHER EU	41,009	80.41
	<b>NORTH AMERICA 12.31% (12.63%)</b>		
	<b>UNITED STATES OF AMERICA</b>		
12,575	Linde .....	3,838	7.53
2,686	Mettler-Toledo International .....	2,438	4.78
		6,276	12.31
	TOTAL - NORTH AMERICA	6,276	12.31
	<b>UNITED KINGDOM 2.37% (4.01%)</b>		
586,390	Oxford Nanopore Technologies .....	1,206	2.37
	TOTAL - UNITED KINGDOM	1,206	2.37
	TOTAL - EQUITIES	50,756	99.53

## FTF Martin Currie European Unconstrained Fund

### PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	TOTAL VALUE OF INVESTMENTS .....	50,756	99.53
	OTHER ASSETS .....	242	0.47
	TOTAL NET ASSETS .....	<u>50,998</u>	<u>100.00</u>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

# FTF Martin Currie European Unconstrained Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(6,898)		(875)
Revenue	615		-	
Expenses	(189)		(9)	
Interest payable and similar charges	-		-	
Net revenue/(expense) before taxation	426		(9)	
Taxation	(81)		-	
Net revenue/(expense) after taxation		345		(9)
<b>Total return before distributions</b>		<b>(6,553)</b>		<b>(884)</b>
Distributions		(367)		-
<b>Change in net assets attributable to shareholders</b>		<b>(6,920)</b>		<b>(884)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>72,145</b>		<b>-</b>
Amounts received on creation of shares	2,123		73,590	
Amounts paid on cancellation of shares	(16,707)		(61)	
		(14,584)		73,529
Dilution adjustment		5		-
Change in net assets attributable to shareholders from investment activities (see above)		(6,920)		(884)
Retained distribution on accumulation shares		352		-
<b>Closing net assets attributable to shareholders</b>		<b>50,998</b>		<b>72,645</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023*
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	50,756	71,952
Current assets		
Debtors	167	175
Cash and bank balances	250	424
Total assets	51,173	72,551
<b>Liabilities</b>		
Creditors		
Other creditors	(175)	(406)
Total liabilities	(175)	(406)
<b>Net assets attributable to shareholders</b>	<b>50,998</b>	<b>72,145</b>

\* The Fund launched on 23 September 2022.

# FTF Martin Currie European Unconstrained Fund

## DISTRIBUTION TABLES For the period 1 April 2023 to 30 September 2023

### For the period 1 April 2023 to 30 June 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased in the period 1 April 2023 to 30 June 2023

	Net Income	Equalisation	30 June 2023 Pence per Share	30 June 2022 Pence per Share
	p	p	p	p
<b>EB Accumulation Shares</b>				
Group 1	0.8719	-	0.8719	-
Group 2	0.7892	0.0827	0.8719	-
<b>W Accumulation Shares</b>				
Group 1	3.1381	-	3.1381	-
Group 2	2.6845	0.4536	3.1381	-
<b>W Income Shares</b>				
Group 1	2.4459	-	2.4459	-
Group 2	2.0200	0.4259	2.4459	-

### For the period 1 July 2023 to 30 September 2023

Group 1 Shares purchased prior to 1 July 2023

Group 2 Shares purchased in the period 1 July 2023 to 30 September 2023

	Net Income	Equalisation	30 September 2023 Pence per Share	30 September 2022 Pence per Share
	p	p	p	p
<b>EB Accumulation Shares</b>				
Group 1	0.0105	-	0.0105	-
Group 2	0.0000	0.0105	0.0105	-
<b>W Accumulation Shares</b>				
Group 1	0.0000	-	0.0000	-
Group 2	0.0000	0.0000	0.0000	-
<b>W Income Shares</b>				
Group 1	0.0000	-	0.0000	-
Group 2	0.0000	0.0000	0.0000	-

### Equalisation

All shareholders, within each share category, receive the same distribution per share, although the distribution to shareholders who purchased shares during the distribution period (Group 2 holdings) contains an element of equalisation which is a repayment, at an average rate per share, of the amount of accrued net income which was included in the purchase price of such shares. As the nature of this payment is capital it is not subject to income tax but must be deducted from the purchase price in any capital gains tax computation on the sale of the shares.

# FTF Martin Currie Global Unconstrained Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value over five years or more after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least 80% of its assets in shares of companies which are incorporated or domiciled anywhere in the world, including in emerging markets (countries whose economy and financial markets are still developing, such as those which are included within the MSCI Emerging Markets Index).

The Fund typically invests in shares of around 20-40 companies of any size, industry or market capitalisation, although the Investment Manager may invest in fewer or more companies where it considers this to be in the interests of the Fund. The portfolio is constructed without reference to any benchmark or index. The Fund may invest in shares of Chinese companies.

Exposure to these shares will typically be direct (purchasing the relevant shares themselves) but may also be indirect (gaining exposure to the shares through other investments). Indirect investments include:

- Convertible bonds (a type of corporate bond which can be exchanged for shares in the same organisation).
- Depositary receipts (a type of listed security which enables investors to hold shares in foreign companies).
- Other collective investment schemes (which may include collective investment schemes operated by the ACD or any of its associates). The Fund may not invest more than 10% in other collective investment schemes.

The Fund invests in companies which, in the opinion of the Investment Manager:

- have the potential to generate or sustain a return on invested capital where the return is higher than the cost of capital; and
- have the potential to develop an attractive growth profile and/or cash flow generation over the long term.

In addition, the Fund may also invest a proportion of its portfolio in other collective investment schemes, money market instruments and deposits.

The Fund can use derivatives for efficient portfolio management (managing the Fund in a way that is designed to reduce risk or costs and/or generate extra income or growth). However, the Fund can introduce more speculative investment use of derivatives in the future on 60 days' notice to investors. The Fund will not take short positions (a technique where investors seek to profit from decreases in value of securities, indices, currencies and/or index rates). Use of derivatives is typically expected to be limited.

In assessing potential investments, the Investment Manager evaluates the companies for the above characteristics, and assesses a company's value by looking at a wide range of financial and economic factors at the level of the relevant company, its sector and the broader economy (a fundamental approach). The Investment Manager focuses on forecasting a company's potential growth and returns, based on research and due diligence and using the Investment Manager's proprietary research platform.

In selecting investments, the Investment Manager also assesses environmental, social and governance ("ESG") factors that could impact the ability of an issuer to generate future sustainable returns. These may include shareholder rights, accounting standards, remuneration, board structure, labour relations, supply chain, data protection, pollution/hazardous waste policies, water usage and climate change policies.

The ESG assessment is quantitative and qualitative, using the Investment Manager's proprietary ESG rating system, and its direct research and engagement process. The proprietary ESG assessment captures forward looking analysis. Investments are assigned a risk rating based on the Investment Manager's assessment of ESG factors. Investments are assigned a score of 1 to 5 in respect of each of governance and sustainability (meaning environmental and social factors), with 5 denoting high risk. Investments with a governance or sustainability risk rating of 4 or above will not be selected for the portfolio. The Investment Manager's assessment of a company's ESG characteristics may impact the Investment Manager's view of that company's financial valuation and attractiveness.

Where the Investment Manager identifies areas that do not meet expectations of best practice on material governance or sustainability issues, the Investment Manager will engage with companies to encourage improvement.

The Fund will not invest in:

- Companies which generate more than 5% of revenue from tobacco production, distribution or wholesale trading.
- Companies which generate revenue from the production or distribution of controversial weapons (i.e. antipersonnel mines, nuclear weaponry, biological and chemical weaponry and cluster munitions).
- Companies which generate more than 5% of revenue from the production or distribution of conventional weapons.

## FTF Martin Currie Global Unconstrained Fund

### INVESTMENT OBJECTIVE & POLICY *(Continued)*

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- Companies which generate more than 5% of revenue from the production or distribution of fossil fuels.
- Companies which generate revenue from mining of metals and minerals as defined by GICS sub-industries Diversified Metals and Mining, Copper, Gold and Precious Metals and Minerals.
- Companies generating more than 5% revenue from coal based power generation or the mining or distribution of thermal coal.
- Companies that generate 15% or more of their revenues from nuclear power generation.
- Companies assessed as 'fail' under the UN Global Compact.

# FTF Martin Currie Global Unconstrained Fund

## INVESTMENT REVIEW

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### PERFORMANCE

For the six months to 30 September 2023, the FTF Martin Currie Global Unconstrained Fund (W Accumulation) delivered a return of -4.56%. In comparison the MSCI All Countries World Index (GBP) delivered 3.90% for the period.

### OVERVIEW

The global equity market delivered positive returns over the six month period ending 30 September 2023, with markets initially performing well but taking a down-turn in the latter half of the period. Initially, from a regional perspective, US equities outperformed ex US and European equities, while developed markets outperformed emerging markets. In terms of style leadership, Growth continued to outperform Value in global equities. However, this was much more pronounced in the US thanks to a handful of large-cap technology stocks that have extended their year-to-date rally on rising expectations of generative artificial intelligence (AI), which highlights some narrowness in the market. In contrast, emerging market (EM) stocks finished the quarter with a small gain due to fading enthusiasm over China's immediate recovery.

As headline inflation continued to decline, central banks moderated the extent of interest rate hikes over the early part of the reporting period. The US Federal Reserve (Fed) only hiked by 25 basis points (bps) before pausing in June, whilst the European Central Bank (ECB) delivered two smaller hikes of 25bps in the face of persistent core inflation. However, Fed chair Jay Powell hinted two more hikes may be necessary this year as the labour market and the US economy remained robust. We anticipate further volatility to be driving central bank policies for the rest of the year, as a result of a debate on how close we are to the end of the rate hike cycle. There were further concerns around US regional banks which weighed on the market. The prospect of a collapse of First Republic Bank became apparent in April, at which point JPMorgan stepped in to purchase the company. In May, the US debt ceiling negotiations affected sentiment before an agreement was reached early June to lift the debt ceiling for two years with spending cuts.

Moving into the latter part of the reporting period, global equity markets sold off on the back of a move higher in bond yields from August to September, primarily driven by the solid economic data from the US, and a more hawkish tone at September's Federal Open Market Committee (FOMC) press conference. From a regional perspective, developed markets and emerging markets were down by a similar extent. In terms of style performance, Growth fell more than Value in global equities, with the latter supported by an energy sector rally.

During this later part of the period, 'data dependency' rhetoric from the major central banks led to further speculation on the number of rate hikes still to come. The market initially hoped that central banks would pivot by the end of 2023. Both the Fed and ECB raised rates by 25 bps in July, which left the market digesting the likelihood of a further rate hike later this year and a more restrictive policy for 2024. However, while the Fed paused its rate hiking cycle in September, the ECB went on to raise rates by another 25bps. This more hawkish stance was driven by the risks of stickier inflation (given the tight labour market across both continents) and led to a shift upwards in interest rate expectations.

This backdrop proved challenging for long duration Quality Growth stocks and was the primary driver of the under performance for the quarter, in our view. While we are disappointed by such volatility, we note that Quality Growth should be supported in general as we move nearer to the end of the rate hiking cycle. Importantly, as long-term investors, we are confident that the portfolio consists of high return compounding business with continued solid fundamentals and outlook. They are well positioned to benefit from structural growth drivers in a low growth environment.

### SIGNIFICANT CHANGES

At the end of the period, the portfolio's largest sector exposure was in information technology followed by healthcare and consumer discretionary. At a country level, the US represented the portfolio's biggest country weight in absolute terms. Purchases over the period were Adyen, Mettler-Toledo International and Estée Lauder Companies. Sales included AIA and Kerry.

### POSITIVE/NEGATIVE CONTRIBUTORS

At a regional level, US and Irish holdings made the largest absolute contribution to returns over the period. In sector terms information technology was strongest, with companies in this sector proving the strongest contribution to performance. These included US-based firms NVIDIA, Adobe and Microsoft Corp.

The Netherlands was the largest detractor from a country perspective within the portfolio, while healthcare was the weakest sector. In portfolio holding terms, Dutch payment platform Adyen and healthcare firms Masimo and ResMed were the largest detractors.

### OUTLOOK

While much of the positive investor sentiment during the first half of 2023 came from expectations that the US federal funds rate might be close to peaking, we believe inflation could remain higher and longer lasting generally. It will be critical to continue to observe wage inflation trends, as these have the potential to turn inflation into a more structural rather than frictional phenomena.

# FTF Martin Currie Global Unconstrained Fund

## INVESTMENT REVIEW *(Continued)*

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We still believe central banks (both the Fed and the ECB notably) are unlikely to pivot until sometime in H2 2024. Central banks have now shifted to being more data-dependent, which will bring more volatility with every data point. We note that expectations of rate cuts in 2023 have now evaporated, and also note that expectations of a rapid shift towards cuts in H1 2024 have now been pushed into H2, closer to our initial and current view. In any case, whether we see a pivot early in 2024, or later on that year, we are closer to the end of the rate hike cycle, which we forecast to happen by the end of this year, which should itself be supportive for Quality and Growth stocks in our view.

In terms of the macroeconomic cycle, China's reopening supported our central scenario of a sharp slowdown rather than recession at the global and US level during the first part of the year. Despite the recent loss of momentum on Chinese leading indicators, we expect the Chinese economy to grow at +5-6% this year, albeit more likely at the bottom end of that range, which should in itself be fairly supportive. At the same time, the US economy has been showing impressive resilience, confounding the sceptics and with growth of c.2% expected this year. This has led to a more supportive backdrop for global growth. Europe, being more cyclically exposed to China, has experienced a weaker momentum generally, with the region being closer to the stagflation scenario that we had predicted as most likely. However, we note that more economists, market commentators and central bankers are now moving towards our view that a recession in 2023 could be averted.

**Yulia Hofstede & Zehrid Osmani**  
Fund Managers  
30 September 2023

# FTF Martin Currie Global Unconstrained Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>EB Income</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	113.81	97.15
Return before operating charges <sup>1</sup>	(5.63)	16.98
Operating charges <sup>2</sup>	(0.27)	(0.32)
Return after operating charges <sup>3</sup>	(5.90)	16.66
Distributions	(0.51)	-
Closing net asset value per share	107.40	113.81
After direct transaction costs of <sup>4</sup>	(0.02)	(0.04)
<b>Performance</b>		
Return after charges <sup>5</sup>	(5.18)%	17.15%
<b>Other information</b>		
Closing net asset value (£)	4,346,041	4,354,912
Closing number of shares	4,046,597	3,826,339
Operating charges ratio <sup>6</sup>	0.48%	0.59%
Direct transaction costs <sup>4</sup>	0.02%	0.06%
<b>Prices (p)</b>		
Highest share price	118.25	113.00
Lowest share price	105.57	94.03
<u>W Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	234.40	200.44
Return before operating charges <sup>1</sup>	(11.65)	35.04
Operating charges <sup>2</sup>	(0.97)	(1.08)
Return after operating charges <sup>3</sup>	(12.62)	33.96
Distributions	(0.64)	-
Retained distributions on accumulation shares	0.64	-
Closing net asset value per share	221.78	234.40
After direct transaction costs of <sup>4</sup>	(0.05)	(0.07)
<b>Performance</b>		
Return after charges <sup>5</sup>	(5.38)%	16.94%
<b>Other information</b>		
Closing net asset value (£)	26,747,381	29,829,184
Closing number of shares	12,060,065	12,726,010
Operating charges ratio <sup>6</sup>	0.83%	0.96%
Direct transaction costs <sup>4</sup>	0.02%	0.06%
<b>Prices (p)</b>		
Highest share price	243.38	232.83
Lowest share price	217.77	193.95

# FTF Martin Currie Global Unconstrained Fund

## COMPARATIVE TABLES (Continued)

<u>W Income</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	154.42	132.05
Return before operating charges <sup>1</sup>	(7.64)	23.08
Operating charges <sup>2</sup>	(0.64)	(0.71)
Return after operating charges <sup>3</sup>	(8.28)	22.37
Distributions	(0.42)	-
Closing net asset value per share	145.72	154.42
After direct transaction costs of <sup>4</sup>	(0.03)	(0.05)
<b>Performance</b>		
Return after charges <sup>5</sup>	(5.36)%	16.94%
<b>Other information</b>		
Closing net asset value (£)	9,461,337	10,397,473
Closing number of shares	6,492,714	6,733,253
Operating charges ratio <sup>6</sup>	0.83%	0.96%
Direct transaction costs <sup>4</sup>	0.02%	0.06%
<b>Prices (p)</b>		
Highest share price	160.34	153.39
Lowest share price	143.10	127.77

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

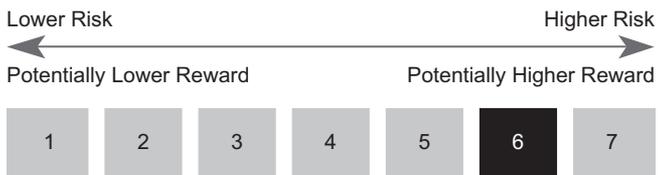
6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

\* The Fund launched on 23 September 2022. The opening net asset value per share is calculated from the merger price.

# FTF Martin Currie Global Unconstrained Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Martin Currie Global Unconstrained Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 99.51% (99.79%)</b>		
	<b>ASIA 2.38% (5.32%)</b>		
	<b>CHINA</b>		
202,500	Wuxi Biologics Cayman.....	966	2.38
	TOTAL - ASIA	966	2.38
	<b>AUSTRALIA 3.37% (2.94%)</b>		
10,294	CSL.....	1,365	3.37
	TOTAL - AUSTRALIA	1,365	3.37
	<b>EUROPE - OTHER EU 39.60% (44.10%)</b>		
	<b>DENMARK</b>		
13,875	Coloplast.....	1,206	2.97
	<b>FRANCE</b>		
2,174	Kering.....	814	2.01
5,027	L'Oreal.....	1,715	4.23
6,799	Pernod Ricard.....	931	2.29
		3,460	8.53
	<b>IRELAND</b>		
25,989	Kingspan.....	1,600	3.95
	<b>ITALY</b>		
7,434	Ferrari.....	1,804	4.45
35,390	Moncler.....	1,691	4.17
		3,495	8.62
	<b>NETHERLANDS</b>		
979	Adyen.....	599	1.48
4,413	ASML.....	2,140	5.27
		2,739	6.75
	<b>SWEDEN</b>		
56,230	Assa Abloy.....	1,009	2.49
146,948	Atlas Copco.....	1,635	4.03
130,383	Hexagon.....	917	2.26
		3,561	8.78
	TOTAL - EUROPE - OTHER EU	16,061	39.60
	<b>NORTH AMERICA 51.51% (45.50%)</b>		
	<b>UNITED STATES OF AMERICA</b>		
3,256	Adobe.....	1,360	3.35
4,761	ANSYS.....	1,161	2.86
5,715	Autodesk.....	969	2.39
8,334	Estee Lauder Cos.....	987	2.43
4,519	Illumina.....	508	1.25
6,915	Linde.....	2,111	5.21
8,019	Masimo.....	576	1.42
5,083	Mastercard.....	1,649	4.07
1,302	Mettler-Toledo International.....	1,182	2.91
9,046	Microsoft.....	2,340	5.77
12,145	NIKE.....	951	2.35
10,527	NVIDIA.....	3,751	9.25
8,498	ResMed.....	1,029	2.54
6,765	Veeva Systems.....	1,128	2.78
8,327	Zoetis.....	1,188	2.93
		20,890	51.51
	TOTAL - NORTH AMERICA	20,890	51.51

## FTF Martin Currie Global Unconstrained Fund

### PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>UNITED KINGDOM 2.65% (1.93%)</b>		
21,862	Croda International.....	1,075	2.65
	TOTAL - UNITED KINGDOM	1,075	2.65
	TOTAL - EQUITIES	40,357	99.51
	<b>TOTAL VALUE OF INVESTMENTS .....</b>	<b>40,357</b>	<b>99.51</b>
	<b>OTHER ASSETS .....</b>	<b>198</b>	<b>0.49</b>
	<b>TOTAL NET ASSETS .....</b>	<b>40,555</b>	<b>100.00</b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

# FTF Martin Currie Global Unconstrained Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	<u>30 September 2023</u>	<u>30 September 2023</u>	<u>30 September 2022</u>	<u>30 September 2022*</u>
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(2,481)		(205)
Revenue	287		-	
Expenses	(173)		(7)	
Interest payable and similar charges	-		-	
Net revenue/(expense) before taxation	114		(7)	
Taxation	15		-	
Net revenue/(expense) after taxation		129		(7)
<b>Total return before distributions</b>		<b>(2,352)</b>		<b>(212)</b>
Distributions		(129)		-
<b>Change in net assets attributable to shareholders</b>		<b>(2,481)</b>		<b>(212)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	<u>30 September 2023</u>	<u>30 September 2023</u>	<u>30 September 2022</u>	<u>30 September 2022*</u>
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>44,582</b>		<b>-</b>
Amounts received on creation of shares	800		36,441	
Amounts paid on cancellation of shares	(2,426)		(96)	
		(1,626)		36,345
Change in net assets attributable to shareholders from investment activities (see above)		(2,481)		(212)
Retained distribution on accumulation shares		80		-
<b>Closing net assets attributable to shareholders</b>		<b>40,555</b>		<b>36,133</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	<u>30 September 2023</u>	<u>31 March 2023*</u>
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	40,357	44,487
Current assets		
Debtors	160	105
Cash and bank balances	513	124
Total assets	41,030	44,716
<b>Liabilities</b>		
Creditors		
Distributions payable	(6)	-
Other creditors	(469)	(134)
Total liabilities	(475)	(134)
<b>Net assets attributable to shareholders</b>	<b>40,555</b>	<b>44,582</b>

\* The Fund launched on 23 September 2022.

# FTF Martin Currie Global Unconstrained Fund

## DISTRIBUTION TABLES For the period 1 April 2023 to 30 September 2023

### For the period 1 April 2023 to 30 June 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased in the period 1 April 2023 to 30 June 2023

	Net Income	Equalisation	30 June 2023 Pence per Share	30 June 2022 Pence per Share
	p	p	p	p
<b>EB Income Shares</b>				
Group 1	0.3967	-	0.3967	-
Group 2	0.0000	0.3967	0.3967	-
<b>W Accumulation Shares</b>				
Group 1	0.6111	-	0.6111	-
Group 2	0.1850	0.4261	0.6111	-
<b>W Income Shares</b>				
Group 1	0.4026	-	0.4026	-
Group 2	0.0561	0.3465	0.4026	-

### For the period 1 July 2023 to 30 September 2023

Group 1 Shares purchased prior to 1 July 2023

Group 2 Shares purchased in the period 1 July 2023 to 30 September 2023

	Net Income	Equalisation	30 September 2023 Pence per Share	30 September 2022 Pence per Share
	p	p	p	p
<b>EB Income Shares</b>				
Group 1	0.1136	-	0.1136	-
Group 2	0.1136	0.0000	0.1136	-
<b>W Accumulation Shares</b>				
Group 1	0.0291	-	0.0291	-
Group 2	0.0267	0.0024	0.0291	-
<b>W Income Shares</b>				
Group 1	0.0184	-	0.0184	-
Group 2	0.0182	0.0002	0.0184	-

### Equalisation

All shareholders, within each share category, receive the same distribution per share, although the distribution to shareholders who purchased shares during the distribution period (Group 2 holdings) contains an element of equalisation which is a repayment, at an average rate per share, of the amount of accrued net income which was included in the purchase price of such shares. As the nature of this payment is capital it is not subject to income tax but must be deducted from the purchase price in any capital gains tax computation on the sale of the shares.

# FTF Martin Currie Japan Equity Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value over the long-term (five years or more) after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least 80% of its assets in shares of Japanese companies. The Fund invests in companies which, in the opinion of the Investment Manager, have above average growth prospects relative to the shares of Japanese companies as a whole.

The Fund typically invests in shares of around 30 – 60 companies of any size, industry or market capitalisation.

The Fund may from time to time have a bias towards finding growing companies in the smaller and mid-sized part of the market but has the flexibility to invest in companies of all size. The Investment Manager particularly seeks out domestic and service orientated companies which it believes will benefit from growth drivers. The Fund aims to hold investments for the long term, with relatively low portfolio turnover.

In addition, the Fund may also hold a proportion of its portfolio in cash or cash equivalents, where, in the Investment Manager's opinion, attractive investment opportunities cannot be found or for liquidity management purposes. The Fund can use derivatives for efficient portfolio management (managing the Fund in a way that is designed to reduce risk or costs and/or generate extra income or growth). Derivatives are financial contracts whose value is linked to the price of another asset, e.g. indices, interest rates, share prices or currencies. Use of derivatives is typically expected to be limited.

In selecting investments, the Investment Manager also assesses environmental, social and governance ("ESG") factors that could impact the ability of an issuer to generate future sustainable growth. These may include shareholder rights, accounting standards, remuneration, board structure, labour relations, supply chain, data protection, pollution/hazardous waste policies, water usage and climate change policies.

The ESG assessment is quantitative and qualitative, using the Investment Manager's proprietary ESG rating system and its direct research and engagement process. The proprietary ESG assessment captures forward looking analysis. Investments are assigned a risk rating based on the Investment Manager's assessment of ESG factors. Investments are assigned a score of 1 to 5 in respect of each of governance and sustainability (meaning environmental and social factors), with 5 denoting high risk. The Investment Manager's assessment of a company's ESG characteristics may impact the Investment Manager's view of that company's financial valuation and attractiveness.

# FTF Martin Currie Japan Equity Fund

## INVESTMENT REVIEW

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### PERFORMANCE

Japanese equities rose in the 6 months to September 2023 as investors grappled with turbulent monetary policy and volatile inflationary expectations the world over. The TOPIX Index rose 6% (GBP) over the period vs 17% in local currency, highlighting the extent of the currency weakening for investors domiciled in the UK.

The FTF Martin Currie Japan Equity Fund (W Accumulation) fell by 13.82% over the period, presented with both size and style headwinds. The fund typically invests in growth businesses that are smaller in size, and the Japanese market has materially favoured value businesses that are larger in size, particularly given the improved liquidity profile of larger companies.

### OVERVIEW

The focus of markets continues to be on monetary policy, both at the US Federal Reserve (Fed) and the Bank of Japan. The Fed hiked again in July and since then the message of “higher for longer” has clearly been impacting equity markets globally. In Japan the Bank of Japan announced a more flexible version of Yield Curve Control in July and since then the Governor of the Bank has made comments which have led to speculation that they may end the negative policy rate.

Value outperformed Growth by a wide margin due to a confluence of events. As measured by the Topix indices Value outperformed Growth by nearly 11% between June and September. Those events are the markets calculations on higher for longer rates, the Tokyo Stock Exchanges’ efforts to improve disclosure around capital efficiency, and the weak Yen.

Sector wise the top performers were almost exclusively commodity related – mining, marine transport, Steel etc, or financials. These are either dollar beneficiaries or benefit as the yield curve steepens. Hardware technology was particularly weak as the semiconductor slowdown hit, as were Services where a large portion of the fund is invested.

### SIGNIFICANT CHANGES

We continue to invest in quality growth companies with exposure to long term structural changes in the Japanese economy and society. There is no doubt we continue investing in these three areas – healthcare, digitalisation, and human resource; which address long term structural changes in Japan – namely the aging population, a need to digitalise and a labour shortage. One consequence of this is that the sector exposure was almost entirely domestic and had very few manufacturers and/or Japanese companies with large global exposure.

We believe there are investment opportunities here. In our investment process when we start looking at companies, we look at the long-term track record in terms of growth rates, profitability, and quality of balance sheet. Added to this, we employ multiple screening tools. The outcome would include Japanese companies with large overseas exposure including exporters and those which have significant manufacturing capability in local markets.

These are often closely aligned to the current themes. For example, we are interested to invest in factory automation, which are necessary because of a labour shortage and an aging population. Semiconductors and related enabling technology are a crucial part of the picture when considering the move to digitalise. Dozens of Japanese companies have marked significantly above-average growth in the last 10 years, and we believe there are significant growth opportunities in the global players headquartered in Japan.

In this context, we initiated position in some companies including Keyence (a high-end sensor manufacturer), SMC (pneumatic equipment maker), Daikin Industries (global air conditioning manufacturer), and Shin-Etsu Chemical (fine chemical maker) during the quarter. Our aim is to continue searching for companies which we think can grow in excess of the overall market due to exposure to long term structural change wherever they may be found.

### POSITIVE/NEGATIVE CONTRIBUTORS

On the negative side, GMO Payment Gateway was particularly weak. This was despite very solid Q3 results with revenue up 28% year on year and operating profit up 26%. GMO trades on a relatively high multiple reflecting a high growth rate and leading position in the growing cashless payments market.

Within the fund one of the best contributors was Pan Pacific International. August existing store sales rose 9.1% year on year, including 12% for their core discount stores. The company has benefitted from a return of tourists to Japan as well as the success of their relatively new own brand daily goods. A return in scale of Chinese tourists would be an added bonus. Valuation is still reasonable, but now prices in the reopening improvement and we have been reducing the position size somewhat.

### OUTLOOK

The Japanese equity market is currently exhibiting a cautiously optimistic outlook with several key factors at play. One prominent aspect impacting the market is the presence of mild inflation, which has been ongoing for the first time in three decades. There are a number of key dynamics shaping the Japanese equity market as follows.

## FTF Martin Currie Japan Equity Fund

### INVESTMENT REVIEW *(Continued)*

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Mild Inflation and corporate earnings – The presence of mild inflation is generally seen as a positive development for Japanese companies. Unlike periods of deflation, mild inflation allows companies to gradually pass on cost increases to their products and services. This helps improve profit margins and supports earnings growth. Historically, Japanese companies have prioritized absorbing raw material cost increases by reducing production costs. However, the ability to pass on cost increases is a welcome change that can enhance profitability. This is particularly relevant for industries that are sensitive to changes in input costs, such as the industrial manufacturing sectors.

Firm global economic landscape – while the global economic situations remains uncertain, there is also some resilience. In the US, the economic statistics show some good and moderate results. Some gradual signs of recovery have been seen in some sectors in China especially in terms of inventory adjustment. Geopolitical tensions and subsequent trade constraints may continue having an adverse impact; however, on the flip side, the demand for production equipment has been supported by more diversification in production locations.

Economic support by the government – The Japanese government has been shaping economic policies to support the industries. For example, similar to many other countries, the authorities provides tax incentives, subsidies, or grants to semiconductor companies for building or expanding manufacturing facilities in Japan. They also implement deregulations to create a favourable regulatory environment that encourages foreign and domestic investments.

Weak JPY currency – The depreciation can largely be explained by the increase in the interest rates differential between most developed markets and Japan. Companies that earn a significant portion of their revenue from overseas markets can benefit from a weaker yen. On the flip side, a weaker yen can increase the cost of raw materials which Japanese companies significantly import due to lack of commodity resources within the country. While the volatility of the JPY currency has been a concern, the less likelihood of further interest rates differential bodes well for the coming quarters.

In conclusion, the Japanese equity market is currently benefiting from mild inflation, which is allowing corporations to pass on cost increases to their products and services. This, in turn, is contributing to improved corporate earnings. While wages continue an upward trend, we expect a virtuous cycle with moderate inflation followed by wage gains in the medium term. As always, it's crucial for us to continue implementing our investment process by conducting thorough research and portfolio management in quality growth investing.

**Paul Alan Danes**  
Fund Manager  
30 September 2023

# FTF Martin Currie Japan Equity Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>W Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	407.14	409.97
Return before operating charges <sup>1</sup>	(54.42)	(1.03)
Operating charges <sup>2</sup>	(1.55)	(1.80)
Return after operating charges <sup>3</sup>	(55.97)	(2.83)
Distributions	-	(1.21)
Retained distributions on accumulation shares	-	1.21
Closing net asset value per share	351.17	407.14
After direct transaction costs of <sup>4</sup>	(0.13)	(0.04)
<b>Performance</b>		
Return after charges <sup>5</sup>	(13.75)%	(0.69)%
<b>Other information</b>		
Closing net asset value (£)	224,537,399	333,920,812
Closing number of shares	63,940,474	82,016,855
Operating charges ratio <sup>6</sup>	0.81%	0.83%
Direct transaction costs <sup>4</sup>	0.03%	0.02%
<b>Prices (p)</b>		
Highest share price	413.88	442.00
Lowest share price	337.41	394.41
<b>W H2 Accumulation</b>		
	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	367.75	350.89
Return before operating charges <sup>1</sup>	(8.67)	18.45
Operating charges <sup>2</sup>	(1.52)	(1.59)
Return after operating charges <sup>3</sup>	(10.19)	16.86
Distributions	-	(1.08)
Retained distributions on accumulation shares	-	1.08
Closing net asset value per share	357.56	367.75
After direct transaction costs of <sup>4</sup>	(0.13)	(0.03)
<b>Performance</b>		
Return after charges <sup>5</sup>	(2.77)%	4.80%
<b>Other information</b>		
Closing net asset value (£)	42,298,111	52,582,931
Closing number of shares	11,829,697	14,298,382
Operating charges ratio <sup>6</sup>	0.81%	0.83%
Direct transaction costs <sup>4</sup>	0.03%	0.02%
<b>Prices (p)</b>		
Highest share price	405.85	397.26
Lowest share price	346.98	346.34

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

# FTF Martin Currie Japan Equity Fund

## COMPARATIVE TABLES *(Continued)*

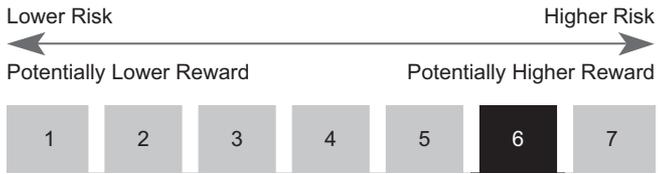
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\* The Fund launched on 23 September 2022. The opening net asset value per share is calculated from the merger price.

# FTF Martin Currie Japan Equity Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Martin Currie Japan Equity Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 98.71% (98.37%)</b>		
	<b>AUTOMOBILE MANUFACTURERS 1.71% (0.00%)</b>		
287,500	Subaru .....	4,573	1.71
	<b>BIOTECHNOLOGY 0.00% (0.85%)</b>		
	<b>BUILDING MATERIALS 1.93% (0.00%)</b>		
39,900	Daikin Industries .....	5,135	1.93
	<b>CHEMICALS 2.25% (0.00%)</b>		
251,400	Shin-Etsu Chemical .....	5,993	2.25
	<b>COMMERCIAL SERVICES 9.93% (24.92%)</b>		
259,700	GMO Payment Gateway .....	11,635	4.36
479,900	Insource .....	2,724	1.02
140,900	Medley .....	3,713	1.39
203,900	Visional .....	8,430	3.16
		<u>26,502</u>	<u>9.93</u>
	<b>COMPUTERS 15.33% (14.73%)</b>		
690,700	BayCurrent Consulting .....	18,950	7.10
99,100	Obic .....	12,313	4.62
786,700	UT .....	9,632	3.61
		<u>40,895</u>	<u>15.33</u>
	<b>DIVERSIFIED FINANCIAL SERVICES 2.86% (2.11%)</b>		
404,700	M&A Research Institute .....	7,621	2.86
	<b>ENGINEERING &amp; CONSTRUCTION 3.04% (0.00%)</b>		
309,000	Kinden .....	3,691	1.38
172,200	Kyudenko .....	4,429	1.66
		<u>8,120</u>	<u>3.04</u>
	<b>HAND &amp; MACHINE TOOLS 1.52% (0.00%)</b>		
491,000	Amada .....	4,054	1.52
	<b>HEALTHCARE PRODUCTS 9.05% (1.81%)</b>		
548,200	Asahi Intecc .....	8,087	3.03
254,400	FUJIFILM .....	12,088	4.53
207,900	Nakanishi .....	3,984	1.49
		<u>24,159</u>	<u>9.05</u>
	<b>HEALTHCARE SERVICES 2.08% (2.65%)</b>		
629,100	PeptiDream .....	5,558	2.08
	<b>INTERNET 23.41% (20.63%)</b>		
268,300	Digital Arts .....	6,806	2.55
403,500	dip .....	8,142	3.05
805,900	M3 .....	12,015	4.50
758,300	MonotaRO .....	6,661	2.50
670,400	Oisix ra daichi .....	5,915	2.22
999,500	SMS .....	13,952	5.23
597,000	ZOZO .....	8,970	3.36
		<u>62,461</u>	<u>23.41</u>
	<b>MACHINERY DIVERSIFIED 5.14% (0.00%)</b>		
17,200	Keyence .....	5,240	1.96
23,100	SMC .....	8,494	3.18
		<u>13,734</u>	<u>5.14</u>
	<b>MISCELLANEOUS MANUFACTURING 1.47% (0.00%)</b>		
454,000	Nikon .....	3,926	1.47
	<b>OFFICE &amp; BUSINESS EQUIPMENT 0.00% (3.88%)</b>		
	<b>PHARMACEUTICALS 0.00% (3.49%)</b>		
	<b>REAL ESTATE INVESTMENT &amp; SERVICES 2.51% (4.36%)</b>		
752,900	Relb .....	6,688	2.51

## FTF Martin Currie Japan Equity Fund

### PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>RETAIL 7.95% (12.00%)</b>		
136,100	Goldwin .....	7,573	2.84
791,000	Pan Pacific International .....	13,624	5.11
		<u>21,197</u>	<u>7.95</u>
	<b>SOFTWARE 5.92% (4.74%)</b>		
529,900	JMDC .....	15,801	5.92
	<b>TOYS, GAMES &amp; HOBBIES 2.61% (2.20%)</b>		
203,900	Nintendo .....	6,973	2.61
	TOTAL - EQUITIES	<u>263,390</u>	<u>98.71</u>
	<b>HEDGE SHARE CLASS DERIVATIVES 0.09% (0.28%)</b>		
	<b>HEDGE FORWARD CURRENCY CONTRACTS</b>		
GBP 42,324,300	Buy GBP 42,324,300 sell JPY (7,627,080,748) dated 31/10/2023 .....	243	0.09
GBP 1,199	Buy GBP 1,199 sell JPY (216,139) dated 31/10/2023 .....	-	0.00
GBP 26	Buy GBP 26 sell JPY (4,676) dated 31/10/2023 .....	-	0.00
GBP 51	Buy GBP 51 sell JPY (9,144) dated 31/10/2023 .....	-	0.00
GBP 2,581	Buy GBP 2,581 sell JPY (465,482) dated 31/10/2023 .....	-	0.00
GBP 652	Buy GBP 652 sell JPY (118,118) dated 31/10/2023 .....	-	0.00
GBP 217	Buy GBP 217 sell JPY (39,339) dated 31/10/2023 .....	-	0.00
JPY 670,288	Buy JPY 670,288 sell GBP (3,720) dated 31/10/2023 .....	-	0.00
JPY 4,584,152	Buy JPY 4,584,152 sell GBP (25,415) dated 31/10/2023 .....	-	0.00
JPY 34,465	Buy JPY 34,465 sell GBP (191) dated 31/10/2023 .....	-	0.00
JPY 3,876,862	Buy JPY 3,876,862 sell GBP (21,405) dated 31/10/2023 .....	-	0.00
JPY 361,529	Buy JPY 361,529 sell GBP (1,996) dated 31/10/2023 .....	-	0.00
		<u>243</u>	<u>0.09</u>
	TOTAL - HEDGE SHARE CLASS DERIVATIVES	<u>243</u>	<u>0.09</u>
	<b>TOTAL VALUE OF INVESTMENTS .....</b>	<b><u>263,633</u></b>	<b><u>98.80</u></b>
	<b>OTHER ASSETS .....</b>	<b><u>3,203</u></b>	<b><u>1.20</u></b>
	<b>TOTAL NET ASSETS .....</b>	<b><u>266,836</u></b>	<b><u>100.00</u></b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

# FTF Martin Currie Japan Equity Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(42,697)		(7,214)
Revenue	1,601		992	
Expenses	(1,341)		(88)	
Interest payable and similar charges	(1)		-	
Net revenue before taxation	259		904	
Taxation	(156)		(99)	
Net revenue after taxation		103		805
<b>Total return before distributions</b>		<b>(42,594)</b>		<b>(6,409)</b>
Distributions		-		-
<b>Change in net assets attributable to shareholders</b>		<b>(42,594)</b>		<b>(6,409)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>386,504</b>		<b>-</b>
Amounts received on creation of shares	228		545,660	
Amounts paid on cancellation of shares	(77,302)		(2,618)	
		(77,074)		543,042
Change in net assets attributable to shareholders from investment activities (see above)		(42,594)		(6,409)
Retained distribution on accumulation shares		-		-
<b>Closing net assets attributable to shareholders</b>		<b>266,836</b>		<b>536,633</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023*
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	263,633	381,302
Current assets		
Debtors	1,092	1,873
Cash and bank balances	3,744	4,868
Total assets	268,469	388,043
<b>Liabilities</b>		
Investment liabilities	-	(6)
Creditors		
Other creditors	(1,633)	(1,533)
Total liabilities	(1,633)	(1,539)
<b>Net assets attributable to shareholders</b>	<b>266,836</b>	<b>386,504</b>

\* The Fund launched on 23 September 2022.

# FTF Martin Currie UK Equity Income Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund's primary aim is to generate an income that is higher than that of the FTSE All-Share Index, together with investment growth over a three to five-year period after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least two thirds (but typically significantly more) in the shares of companies listed on the London Stock Exchange. These companies are incorporated/domiciled in the UK or which have significant business operations in the UK.

Typically, the number of holdings in the Fund will vary between 40 to 60 company shares and most of these will be the shares of large (such as those making up the FTSE 100 Index) companies.

The Investment Manager does not intend to invest in every company in the FTSE All-Share Index and have the freedom to invest up to 10% of the Fund's assets outside of it.

Any proportion of the Fund can be invested into specific industry sectors, but the Investment Manager seeks to avoid any unintentional emphasis on a sector in a way that could increase the level of risk.

The Investment Manager tries to further reduce risk by making sure no single company share dominates the Fund's investments. Normally, the Investment Manager tries to keep shareholdings in any individual large company to no more than 5% of the Fund's total value, while a shareholding in any individual medium- and small-sized company would typically be no more than 2%.

Very occasionally and to a much lesser extent, the Fund may also invest in debt securities or bonds (debt obligations that pay interest) issued by governments, government-related, supranational organisations or corporations or convertibles, a type of corporate bond that can be exchanged for shares in the same organisation.

The Fund may also invest in other types of transferable securities, cash and cash equivalents, money market instruments, and other collective investment schemes.

The Fund can use derivatives for efficient portfolio management (managing the fund in a way that is designed to reduce risk or cost and/or generate extra income or growth). However, the Fund can introduce more speculative use of derivatives in the future on 60 days' notice to investors. Derivatives are financial contracts whose value is linked to the price of another asset (e.g. indices, interest rates, share prices or currencies).

In selecting investments, the Investment Manager also assesses environmental, social and governance ("ESG") factors that could impact the ability of an issuer to generate future sustainable returns. These may include shareholder rights, accounting standards, remuneration, board structure, labour relations, supply chain, data protection, pollution/hazardous waste policies, water usage and climate change policies.

This ESG assessment is quantitative and qualitative, using the Investment Manager's proprietary ESG rating system, and its direct research and engagement process. The proprietary ESG assessment captures forward looking analysis. Investments are assigned a risk rating based on the Investment Manager's assessment of ESG factors. Investments are assigned a score of 1 to 5 in respect of each of governance and sustainability (meaning environmental and social factors), with 5 denoting high risk. Investments with a governance or sustainability risk rating of 4 or above will not be selected for the portfolio. The Investment Manager's assessment of a company's ESG characteristics may impact the Investment Manager's view of that company's financial valuation and attractiveness.

Where the Investment Manager identifies areas that do not meet expectations of best practice on material governance or sustainability issues, the Investment Manager will engage with companies to encourage improvement.

Where the Investment Manager identifies potential violations of UN Global Compact principles, the Investment Manager will establish a structured engagement process with companies to encourage improvement.

The Fund will not invest in companies which generate revenue from the production or distribution of controversial weapons (i.e. antipersonnel mines, biological and chemical weaponry and cluster munitions).

# FTF Martin Currie UK Equity Income Fund

## INVESTMENT REVIEW

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### PERFORMANCE

In the six months to 30 September 2023, the FTF Martin Currie UK Equity Income Fund (W Accumulation) recorded a net return of -1.02%, compared with the FTSE All-Share Index, which returned 1.42%.

### OVERVIEW

After a short-lived rotation back in favour of growth assets, growth sentiment waned in the third quarter as geopolitical factors once again returned to the fore. A sharp recovery in crude oil prices driven by Saudi Arabia and Russia's decision to limit exports supported the UK-listed oil majors – BP and Shell, which collectively account for 10% of the UK market, responded well. Furthermore, UK-quoted diversified energy and materials businesses also benefitted from sterling weakness vs the US dollar, a trend that generally supports blue-chip companies, where 70% of earnings are sourced internationally. Anglo American, Rio Tinto, and Glencore were all beneficiaries. Conversely, the main detractor from UK market returns were utility businesses as investors priced in rising rates – as 'bond proxies', they are considered less attractive in a higher interest rate environment, and utility companies also tend to operate higher levels of leverage, meaning that refinancing risk is increasingly considered. As pragmatic investors, we naturally keep a watchful eye on portfolio leverage, although we appreciate the capital intensity of the utility industry, and furthermore believe that select opportunities still exist in the sector, which exploit its inherent stable cash flow, defensive characteristics and clean energy themes.

During the period, the Office for National Statistics implemented a new calculation methodology and enhanced the quality of data used to calculate economic growth. The result of this was a significant uplift in the prior growth rate, so that between the end of 2019 and 2021 the economy had grown by 1.2%, as opposed to a 0.6% decline according to previous calculation.

While there had been clues that the economy was stronger than data was suggesting, given the robustness of tax receipts and strength of the labour market in the wake of the pandemic, this revision confirmed the United Kingdom ("UK") was no outlier in terms of growth. The Bank of England's ("BoE's") decision to leave rates on hold in September left the bank rate at 5.25% after a period of consecutive hikes, which appeared reasonable given the lower-than-expected inflation data that was also released during the month. This showed prices increasing 6.7% year-on-year, far from recent highs.

In contrast to many developed markets, the selloff in long-dated UK Gilts moderated through the third quarter, which stabilised market interest rates, and consumers also saw mortgage rates fall alongside the energy price cap. Given this more positive news, domestic areas of the UK market recovered amid resilient consumer confidence and widespread consensus that base rates had peaked. Among UK small- and mid-cap companies, a number of consumer discretionary segments recovered well, including housebuilders Bellway and Taylor Wimpey, both beneficiaries of dovish policy. Furthermore, select consumer names including pub groups, retailers and travel companies were all supported by prospects of improved consumer budgets. Trade kitchen manufacturer and supplier Howden Group had a particularly strong period, earning promotion into the FTSE 100 at the end of September.

Conversely, telecommunications small- and mid-cap companies had a challenging period, broadly impacted by order book delays caused by the global growth slowdown, deferral of previously anticipated technology spend, and the deterioration of Chinese economic activity. However, this was somewhat offset by an uptick in M&A activity. Whilst activity remains below its long-term average, during the third quarter bids were announced for Ergomed and Gresham House, which supported sentiment and valuations amongst UK small- and mid-cap businesses.

### SIGNIFICANT CHANGES

The top five buys during the six-month period were: Intertek, Taylor Wimpey, British American Tobacco, GSK and NatWest.

The top five sells during the six-month period were: Spectris, Persimmon, IMI, Burberry and BP.

### POSITIVE/NEGATIVE CONTRIBUTORS

At the sector level, stock selection in investment banking and brokerage services and aerospace and defence weighed on relative results, as did stock selection in and an underweight to banks. In contrast, stock selection in food producers and beverages as well as a lack of exposure to closed end investments boosted relative performance.

At a stock level, luxury brand Burberry was the largest detractor from performance. The shares fell back 24.7% as investors reassessed the outlook for the sector, given an expected fall in global post-pandemic demand for luxury goods.

Financial advice business St James's Place was also amongst the largest detractors from the portfolio. The shares fell 27.7% after a weak update, which saw client flows miss expectations and changes to the company's fee structure, prompted by new FCA rules regarding duty to clients in July.

Cranswick was the most significant contributor to portfolio performance in the period, as the shares advanced 20.4% after the company announced an uplift to full-year profit guidance due to strong trading.

# FTF Martin Currie UK Equity Income Fund

## INVESTMENT REVIEW *(Continued)*

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Alternative asset manager Intermediate Capital also contributed, with the shares advancing 17.9% after a strong set of full-year results, which emphasised the resilience of the business model in a more difficult backdrop.

### OUTLOOK

When discussing third-quarter optimism, we acknowledge the existence of a challenging and unknown path ahead. We must remember that interest rates are higher than they have been in decades, and as good as things may seem domestically, economic signals are frequently diverging overseas. This is particularly relevant to the swathes of the UK market that source earnings overseas. And things are not all rosy at home either – since the start of October, UK Gilts have been caught up in the government bond rout, with yields exceeding the highs of the ‘mini-budget’ pandemonium 12 months ago. Strong employment data from the UK and the United States has fuelled this selloff, adding to the push/pull dynamic between a resilient and confident consumer, and policymaker attempts to keep inflation under control. BoE Chief Economist Huw Pill’s Table Mountain analogy (with rates remaining in the region of 5% for longer) appears plausible.

Until now, the impact of government indebtedness on interest payments has been moderated by the decline in market interest rates. This looks set to change – UK Chancellor Jeremy Hunt recently warned that the government needs to locate an extra £23 billion to service its debt compared with March due to the recent selloff. To further contextualise, forecasters predict that this means the UK will allocate 3% of gross domestic product (“GDP”) solely to servicing its debt over the coming years, versus 1% two years ago.

It is always a challenge to predict with any certainty what this means for markets, but government austerity may challenge consumer sentiment. However, this must be considered on balance with recently observed consumer confidence growth, the degree of household deposits still saved, and robust employment figures still coming out of the UK. We believe that these points alone provide enough support for consumer-focused areas of the markets to weather some of the macro headwinds encountered. And although Jeremy Hunt has already ruled out any tax cuts in November’s budget, the government will have to keep one eye on the general election just around the corner.

There are some supportive statistics for our base case environment where rates are higher for longer – corporate debt and deposits as a proportion of GDP remain historically attractive, and as quality-focused managers this only broadens the pool that we are able to search in. By constructing our portfolios in a core, style-agnostic manner we mitigate extreme style risk – high-growth portfolios could potentially encounter challenges in an extended period of elevated interest rates. Furthermore, the FTSE 250 group of companies is no longer considered just the UK’s growth engine. Although the mid-cap index has delivered superior growth versus the FTSE 100 over the long run, its dividend yield is now approaching parity with the blue-chip index, which is recognised for its income generation, providing ample opportunity for both income and growth to thrive. With dividends such an important component of UK total return, we remain of the view that companies with quality financials are set to outperform, given the propensity to weather challenging market environments whilst continuing to return capital to shareholders.

Critically, we believe that we are entering a new post-Covid regime. Inflation and rates are higher than in recent years, both of which could moderate the significance of market returns as central banks pivot to fight fires rather than bolster the economy. Thus, we believe that stock selection is increasingly important to an overall return profile, and that the opportunities for skilled, high-conviction managers to add active returns will significantly outweigh the opportunity for market returns.

**Ben Russon, CFA, Will Bradwell & Joanne Rands**

Fund Managers

30 September 2023

# FTF Martin Currie UK Equity Income Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>S – Accumulation shares*</u>	<u>30 September 2023</u>
<b>Change in net assets per share (p)</b>	
Opening net asset value per share	100.00
Return before operating charges <sup>1</sup>	(1.70)
Operating charges <sup>2</sup>	(0.02)
Return after operating charges <sup>3</sup>	(1.72)
Distributions	(0.30)
Retained distributions on accumulation shares	0.30
Closing net asset value per share	98.28
After direct transaction costs of <sup>4</sup>	-
<b>Performance</b>	
Return after charges <sup>5</sup>	(1.72)%
<b>Other information</b>	
Closing net asset value (£)	787
Closing number of shares	800
Operating charges ratio <sup>6</sup>	0.35%
Direct transaction costs <sup>4</sup>	0.05%
<b>Prices (p)</b>	
Highest share price	100.00
Lowest share price	97.84

<u>S – Income shares*</u>	<u>30 September 2023</u>
<b>Change in net assets per share (p)</b>	
Opening net asset value per share	100.00
Return before operating charges <sup>1</sup>	(1.70)
Operating charges <sup>2</sup>	(0.02)
Return after operating charges <sup>3</sup>	(1.72)
Distributions	(0.30)
Closing net asset value per share	97.98
After direct transaction costs of <sup>4</sup>	-
<b>Performance</b>	
Return after charges <sup>5</sup>	(1.72)%
<b>Other information</b>	
Closing net asset value (£)	784
Closing number of shares	800
Operating charges ratio <sup>6</sup>	0.35%
Direct transaction costs <sup>4</sup>	0.05%
<b>Prices (p)</b>	
Highest share price	100.00
Lowest share price	97.84

# FTF Martin Currie UK Equity Income Fund

## COMPARATIVE TABLES (Continued)

<b>W – Accumulation shares</b>	<b>30 September 2023</b>	<b>31 March 2023</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	254.81	245.79	214.88	171.27
Return before operating charges <sup>1</sup>	(3.46)	10.29	32.11	44.61
Operating charges <sup>2</sup>	(0.64)	(1.27)	(1.20)	(1.00)
Return after operating charges <sup>3</sup>	(4.10)	9.02	30.91	43.61
Distributions	(6.54)	(11.19)	(10.62)	(8.06)
Retained distributions on accumulation shares	6.54	11.19	10.62	8.06
Closing net asset value per share	250.71	254.81	245.79	214.88
After direct transaction costs of <sup>4</sup>	(0.06)	(0.29)	(0.32)	(0.29)
<b>Performance</b>				
Return after charges <sup>5</sup>	(1.61)%	3.67%	14.38%	25.46%
<b>Other information</b>				
Closing net asset value (£)	588,493,839	593,035,485	426,265,855	409,915,272
Closing number of shares	234,734,007	232,733,678	173,424,331	190,767,342
Operating charges ratio <sup>6</sup>	0.51%	0.52%	0.52%	0.52%
Direct transaction costs <sup>4</sup>	0.05%	0.12%	0.14%	0.15%
<b>Prices (p)</b>				
Highest share price	263.33	264.82	247.43	214.63
Lowest share price	238.94	220.63	214.26	162.78
<b>W – Income shares</b>				
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	161.38	163.23	149.37	124.04
Return before operating charges <sup>1</sup>	(2.22)	6.28	21.94	31.79
Operating charges <sup>2</sup>	(0.40)	(0.83)	(0.82)	(0.71)
Return after operating charges <sup>3</sup>	(2.62)	5.45	21.12	31.08
Distributions	(4.11)	(7.30)	(7.26)	(5.75)
Closing net asset value per share	154.65	161.38	163.23	149.37
After direct transaction costs of <sup>4</sup>	(0.04)	(0.19)	(0.22)	(0.21)
<b>Performance</b>				
Return after charges <sup>5</sup>	(1.62)%	3.34%	14.14%	25.06%
<b>Other information</b>				
Closing net asset value (£)	399,649,939	424,644,861	434,442,003	447,664,948
Closing number of shares	258,421,687	263,130,535	266,147,309	299,708,583
Operating charges ratio <sup>6</sup>	0.51%	0.52%	0.52%	0.52%
Direct transaction costs <sup>4</sup>	0.05%	0.12%	0.14%	0.15%
<b>Prices (p)</b>				
Highest share price	166.78	169.38	166.38	150.93
Lowest share price	149.38	142.58	148.93	117.84

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

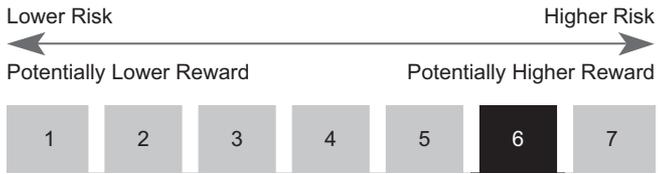
6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

\* This share class launched on 18 September 2023.

# FTF Martin Currie UK Equity Income Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Martin Currie UK Equity Income Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 99.07% (96.52%)</b>		
	<b>ADVERTISING 1.59% (1.91%)</b>		
2,140,000	WPP .....	15,686	1.59
	<b>AEROSPACE &amp; DEFENCE 2.40% (2.29%)</b>		
2,375,000	BAE Systems .....	23,693	2.40
	<b>AGRICULTURE 5.57% (5.27%)</b>		
1,290,000	British American Tobacco .....	33,237	3.36
1,310,000	Imperial Brands .....	21,838	2.21
		55,075	5.57
	<b>APPAREL 1.41% (2.27%)</b>		
728,000	Burberry .....	13,894	1.41
	<b>BANKS 1.60% (1.32%)</b>		
6,717,000	NatWest .....	15,825	1.60
	<b>BEVERAGES 3.20% (3.54%)</b>		
1,695,000	Britvic .....	14,780	1.50
552,962	Diageo .....	16,777	1.70
		31,557	3.20
	<b>CHEMICALS 1.31% (1.34%)</b>		
920,000	Victrex .....	12,926	1.31
	<b>COMMERCIAL SERVICES 5.50% (3.61%)</b>		
342,000	Intertek .....	14,060	1.42
3,430,000	Pagegroup .....	14,379	1.46
931,843	RELX .....	25,859	2.62
		54,298	5.50
	<b>COSMETICS &amp; PERSONAL CARE 5.08% (4.79%)</b>		
1,237,000	Unilever .....	50,241	5.08
	<b>DISTRIBUTION &amp; WHOLESALE 1.41% (1.43%)</b>		
475,798	Bunzl .....	13,917	1.41
	<b>DIVERSIFIED FINANCIAL SERVICES 7.77% (8.16%)</b>		
6,646,000	Ashmore .....	12,481	1.26
1,696,000	Close Brothers .....	15,026	1.52
2,005,000	IG .....	12,892	1.31
784,000	Rathbones .....	13,626	1.38
2,848,516	Schroders .....	11,599	1.17
1,345,000	St James's Place .....	11,193	1.13
		76,817	7.77
	<b>ELECTRICITY 4.50% (4.58%)</b>		
2,593,000	National Grid .....	25,411	2.57
1,185,700	SSE .....	19,084	1.93
		44,495	4.50
	<b>ELECTRONICS 0.00% (1.66%)</b>		
	<b>FOOD PRODUCERS 3.61% (4.96%)</b>		
479,000	Cranswick .....	17,014	1.72
7,075,000	Tesco .....	18,692	1.89
		35,706	3.61
	<b>HEALTHCARE PRODUCTS 1.37% (1.36%)</b>		
1,326,000	Smith & Nephew .....	13,558	1.37
	<b>HOME BUILDERS 2.75% (2.55%)</b>		
641,441	Bellway .....	14,638	1.48
10,706,000	Taylor Wimpey .....	12,558	1.27
		27,196	2.75

## FTF Martin Currie UK Equity Income Fund

### PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>HOUSEHOLD PRODUCTS 2.08% (2.15%)</b>		
355,200	Reckitt Benckiser .....	20,573	2.08
	<b>INSURANCE 5.36% (5.40%)</b>		
9,514,000	Legal & General .....	21,169	2.14
6,800,183	M&G .....	13,417	1.36
3,811,600	Phoenix .....	18,376	1.86
		<u>52,962</u>	<u>5.36</u>
	<b>IRON &amp; STEEL 0.00% (0.00%)</b>		
60,000	Evrax <sup>1</sup> .....	-	0.00
	<b>MACHINERY DIVERSIFIED 1.29% (1.68%)</b>		
811,000	IMI .....	12,716	1.29
	<b>MEDIA 1.80% (1.62%)</b>		
2,374,473	Informa .....	17,818	1.80
	<b>METAL &amp; HARDWARE 1.59% (1.54%)</b>		
2,400,000	Bodycote .....	15,660	1.59
	<b>MINING 5.15% (4.95%)</b>		
830,000	Anglo American .....	18,804	1.90
620,000	Rio Tinto .....	32,079	3.25
		<u>50,883</u>	<u>5.15</u>
	<b>MISCELLANEOUS MANUFACTURING 1.66% (1.70%)</b>		
1,009,500	Smiths .....	16,349	1.66
	<b>OIL &amp; GAS PRODUCERS 12.87% (11.50%)</b>		
10,430,000	BP .....	55,425	5.61
356,000	DCC .....	16,408	1.66
2,125,000	Shell .....	55,377	5.60
		<u>127,210</u>	<u>12.87</u>
	<b>PACKAGING &amp; CONTAINERS 1.68% (1.78%)</b>		
5,771,656	DS Smith .....	16,570	1.68
	<b>PHARMACEUTICALS 7.57% (6.67%)</b>		
384,000	AstraZeneca .....	42,624	4.31
2,159,000	GSK .....	32,208	3.26
		<u>74,832</u>	<u>7.57</u>
	<b>PRIVATE EQUITY 1.56% (1.40%)</b>		
1,117,000	Intermediate Capital .....	15,448	1.56
	<b>REAL ESTATE INVESTMENT TRUSTS 2.92% (2.63%)</b>		
2,430,000	Land .....	14,332	1.45
8,430,000	LondonMetric Property .....	14,500	1.47
		<u>28,832</u>	<u>2.92</u>
	<b>RETAIL 3.43% (1.40%)</b>		
875,000	Associated British Foods .....	18,095	1.83
217,000	Next .....	15,828	1.60
		<u>33,923</u>	<u>3.43</u>
	<b>TELECOMMUNICATIONS 1.04% (1.06%)</b>		
13,404,000	Vodafone .....	10,297	1.04
	<b>TOTAL - EQUITIES</b>	<u>978,957</u>	<u>99.07</u>
	<b>CERTIFICATE OF DEPOSITS 0.91% (3.09%)</b>		
9,000,000	Royal Bank Of Canada, 5.180%, 02/10/2023 .....	9,000	0.91

## FTF Martin Currie UK Equity Income Fund

### PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	TOTAL VALUE OF INVESTMENTS .....	987,957	99.98
	OTHER ASSETS .....	188	0.02
	TOTAL NET ASSETS .....	<u>988,145</u>	<u>100.00</u>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

<sup>1</sup> These securities are fair valued by the manager.

# FTF Martin Currie UK Equity Income Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(40,507)		(114,318)
Revenue	26,529		22,924	
Expenses	(2,588)		(2,291)	
Interest payable and similar charges	-		-	
Net revenue before taxation	23,941		20,633	
Taxation	(1)		47	
Net revenue after taxation		23,940		20,680
<b>Total return before distributions</b>		<b>(16,567)</b>		<b>(93,638)</b>
Distributions		(26,213)		(22,684)
<b>Change in net assets attributable to shareholders</b>		<b>(42,780)</b>		<b>(116,322)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>1,017,680</b>		<b>860,712</b>
Amounts received on creation of shares	45,752		169,233	
Amounts paid on cancellation of shares	(48,015)		(32,666)	
		(2,263)		136,567
Dilution adjustment		2		-
Change in net assets attributable to shareholders from investment activities (see above)		(42,780)		(116,322)
Retained distribution on accumulation shares		15,506		12,860
<b>Closing net assets attributable to shareholders</b>		<b>988,145</b>		<b>893,817</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	987,957	1,013,689
Current assets		
Debtors	6,921	8,740
Cash and bank balances	77	14
Total assets	994,955	1,022,443
<b>Liabilities</b>		
Creditors		
Bank overdrafts	-	(22)
Distributions payable	(5,382)	(4,219)
Other creditors	(1,428)	(522)
Total liabilities	(6,810)	(4,763)
<b>Net assets attributable to shareholders</b>	<b>988,145</b>	<b>1,017,680</b>

# FTF Martin Currie UK Equity Income Fund

## DISTRIBUTION TABLES For the period 1 April 2023 to 30 September 2023

### For the period 1 April 2023 to 30 June 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased in the period 1 April 2023 to 30 June 2023

	Net Income	Equalisation	30 June 2023 Pence per Share	30 June 2022 Pence per Share
	p	p	p	p
<b>S Accumulation Shares</b>				
Group 1	-	-	-	-
Group 2	-	-	-	-
<b>S Income Shares</b>				
Group 1	-	-	-	-
Group 2	-	-	-	-
<b>W Accumulation Shares</b>				
Group 1	3.2078	-	3.2078	3.0257
Group 2	1.5032	1.7046	3.2078	3.0257
<b>W Income Shares</b>				
Group 1	2.0317	-	2.0317	2.0096
Group 2	0.9086	1.1231	2.0317	2.0096

### For the period 1 July 2023 to 30 September 2023

Group 1 Shares purchased prior to 1 July 2023

Group 2 Shares purchased in the period 1 July 2023 to 30 September 2023

	Net Income	Equalisation	30 September 2023 Pence per Share	30 September 2022 Pence per Share
	p	p	p	p
<b>S Accumulation Shares</b>				
Group 1	0.3011	-	0.3011	-
Group 2	0.3011	0.0000	0.3011	-
<b>S Income Shares</b>				
Group 1	0.3011	-	0.3011	-
Group 2	0.3011	0.0000	0.3011	-
<b>W Accumulation Shares</b>				
Group 1	3.3311	-	3.3311	3.1259
Group 2	1.9421	1.3890	3.3311	3.1259
<b>W Income Shares</b>				
Group 1	2.0825	-	2.0825	2.0490
Group 2	1.0733	1.0092	2.0825	2.0490

### Equalisation

All shareholders, within each share category, receive the same distribution per share, although the distribution to shareholders who purchased shares during the distribution period (Group 2 holdings) contains an element of equalisation which is a repayment, at an average rate per share, of the amount of accrued net income which was included in the purchase price of such shares. As the nature of this payment is capital it is not subject to income tax but must be deducted from the purchase price in any capital gains tax computation on the sale of the shares.

# FTF Martin Currie UK Managers' Focus Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value by more than the FTSE All-Share Index, from a combination of income and investment growth over a three to five-year period after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least two thirds (but typically significantly more) in shares of companies listed on the London Stock Exchange that are incorporated/domiciled in the UK or which have significant business operations in the UK.

The Fund usually invests in the shares of up to 50 companies consisting of:

- 10–20 large companies (such as those making up the FTSE 100 Index)
- 10–20 medium sized companies (such as those making up the FTSE 250 Index)
- 20 smaller companies (such as those making up the Numis Smaller Companies ex-Investment Trusts Index or the Alternative Investment Market (AIM)).

While the Investment Manager has the freedom to invest up to 10% of the Fund's assets outside of these indices, this would be very unusual, and the result of a very strong opportunity identified in their research or to protect capital in unusual market conditions.

Any proportion of the Fund can be invested into specific industry sectors, but the Investment Manager seeks to avoid any unintentional emphasis on a sector in a way that could increase the level of risk.

The Investment Manager tries to further reduce risk by making sure no single company share dominates the Fund's investments. Normally, the Investment Manager tries to keep shareholdings in any individual company to between 1% and 3% of the Fund's assets.

Very occasionally and to a much lesser extent, the Fund may also invest in debt securities or bonds (debt obligations that pay interest) issued by governments, government-related, supranational organisations or corporations or convertibles, a type of corporate bond that can be exchanged for shares in the same organisation.

The Fund may also invest a proportion of its portfolio in other types of transferable securities, cash and cash equivalents, money market instruments, and other collective investment schemes.

The Fund can use derivatives for efficient portfolio management (managing the fund in a way that is designed to reduce risk or cost and/or generate extra income or growth). However, the Fund can introduce more speculative use of derivatives in the future on 60 days' notice to investors. Derivatives are financial contracts whose value is linked to the price of another asset (e.g. indices, interest rates, share prices or currencies).

In selecting investments, the Investment Manager also assesses environmental, social and governance ("ESG") factors that could impact the ability of an issuer to generate future sustainable returns. These may include shareholder rights, accounting standards, remuneration, board structure, labour relations, supply chain, data protection, pollution/hazardous waste policies, water usage and climate change policies.

This ESG assessment is quantitative and qualitative, using the Investment Manager's proprietary ESG rating system, and its direct research and engagement process. The proprietary ESG assessment captures forward looking analysis. Investments are assigned a risk rating based on the Investment Manager's assessment of ESG factors. Investments are assigned a score of 1 to 5 in respect of each of governance and sustainability (meaning environmental and social factors), with 5 denoting high risk. Investments with a governance or sustainability risk rating of 4 or above will not be selected for the portfolio. The Investment Manager's assessment of a company's ESG characteristics may impact the Investment Manager's view of that company's financial valuation and attractiveness.

Where the Investment Manager identifies areas that do not meet expectations of best practice on material governance or sustainability issues, the Investment Manager will engage with companies to encourage improvement.

Where the Investment Manager identifies potential violations of UN Global Compact principles, the Investment Manager will establish a structured engagement process with companies to encourage improvement.

The Fund will not invest in companies which generate revenue from the production or distribution of controversial weapons (i.e. antipersonnel mines, biological and chemical weaponry and cluster munitions).

# FTF Martin Currie UK Managers' Focus Fund

## INVESTMENT REVIEW

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### PERFORMANCE

In the six months to 30 September 2023, the FTF Martin Currie UK Manager's Focus Fund (W Accumulation) recorded a net return of -4.12%, compared with the FTSE All Share index, which returned 1.42%.

### OVERVIEW

After a short-lived rotation back in favour of growth assets, growth sentiment waned in the third quarter as geopolitical factors once again returned to the fore. A sharp recovery in crude oil prices driven by Saudi Arabia and Russia's decision to limit exports supported the UK-listed oil majors – BP and Shell, which collectively account for 10% of the UK market, responded well. Furthermore, UK-quoted diversified energy and materials businesses also benefitted from sterling weakness vs the US dollar, a trend that generally supports blue-chip companies, where 70% of earnings are sourced internationally. Anglo American, Rio Tinto, and Glencore were all beneficiaries. Conversely, the main detractor from UK market returns were utility businesses as investors priced in rising rates – as 'bond proxies', they are considered less attractive in a higher interest rate environment, and utility companies also tend to operate higher levels of leverage, meaning that refinancing risk is increasingly considered. As pragmatic investors, we naturally keep a watchful eye on portfolio leverage, although we appreciate the capital intensity of the utility industry, and furthermore believe that select opportunities still exist in the sector, which exploit its inherent stable cash flow, defensive characteristics and clean energy themes.

During the period, the Office for National Statistics implemented a new calculation methodology and enhanced the quality of data used to calculate economic growth. The result of this was a significant uplift in the prior growth rate, so that between the end of 2019 and 2021 the economy had grown by 1.2%, as opposed to a 0.6% decline according to previous calculation.

While there had been clues that the economy was stronger than data was suggesting, given the robustness of tax receipts and strength of the labour market in the wake of the pandemic, this revision confirmed the United Kingdom ("UK") was no outlier in terms of growth. The Bank of England's ("BoE's") decision to leave rates on hold in September left the bank rate at 5.25% after a period of consecutive hikes, which appeared reasonable given the lower-than-expected inflation data that was also released during the month. This showed prices increasing 6.7% year-on-year, far from recent highs.

In contrast to many developed markets, the selloff in long-dated UK Gilts moderated through the third quarter, which stabilised market interest rates, and consumers also saw mortgage rates fall alongside the energy price cap. Given this more positive news, domestic areas of the UK market recovered amid resilient consumer confidence and widespread consensus that base rates had peaked. Among UK small- and mid-cap companies, a number of consumer discretionary segments recovered well, including housebuilders Bellway and Taylor Wimpey, both beneficiaries of dovish policy. Furthermore, select consumer names including pub groups, retailers and travel companies were all supported by prospects of improved consumer budgets. Trade kitchen manufacturer and supplier Howden Group had a particularly strong period, earning promotion into the FTSE 100 at the end of September.

Conversely, telecommunications small- and mid-cap companies had a challenging period, broadly impacted by order book delays caused by the global growth slowdown, deferral of previously anticipated technology spend, and the deterioration of Chinese economic activity. However, this was somewhat offset by an uptick in M&A activity. Whilst activity remains below its long-term average, during the third quarter bids were announced for Ergomed and Gresham House, which supported sentiment and valuations amongst UK small- and mid-cap businesses.

### SIGNIFICANT CHANGES

The top five buys during the six-month period were: Grainger, NatWest, Chemring, Auction Technology and Restore.

The top five sells during the six-month period were: Tesco, Paragon Banking, RS Group, Big Technologies and Videndum.

### POSITIVE/NEGATIVE CONTRIBUTORS

At the sector level, stock selection in leisure goods and aerospace and defence, as well as stock selection in and an underweight to banks, detracted from relative performance. Conversely, stock selection in and an overweight position in food producers and retailers contributed to relative returns, as did a lack of exposure to beverages.

At a stock level, video game developer and publisher tinyBuild was the largest detractor during the period, as the shares fell 86.1% after the company materially downgraded expectations in a trading statement. The poor performance was driven by fewer subscription platform deals and the underperformance of acquired businesses Red Cerberus and Versus Evil. We have now sold our holding.

Financial advice business St James's Place was also amongst the largest detractors from performance. The shares fell 27.8% after a weak update, which saw client flows miss expectations and changes to the company's fee structure, prompted by new FCA rules regarding duty to clients in July.

Cranswick was the most significant contributor to portfolio performance in the period. The shares advanced 20.2%, after the company announced an uplift to full-year profit guidance due to strong trading.

# FTF Martin Currie UK Managers' Focus Fund

## INVESTMENT REVIEW *(Continued)*

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Alternative asset manager Intermediate Capital also contributed, with the shares advancing 17.8% after a strong set of full-year results, which emphasised the resilience of the business model in a more difficult backdrop.

### OUTLOOK

When discussing third-quarter optimism, we acknowledge the existence of a challenging and unknown path ahead. We must remember that interest rates are higher than they have been in decades, and as good as things may seem domestically, economic signals are frequently diverging overseas. This is particularly relevant to the swathes of the UK market that source earnings overseas. And things are not all rosy at home either – since the start of October, UK Gilts have been caught up in the government bond rout, with yields exceeding the highs of the 'mini-budget' pandemonium 12 months ago. Strong employment data from the UK and the United States has fuelled this selloff, adding to the push/pull dynamic between a resilient and confident consumer, and policymaker attempts to keep inflation under control. BoE Chief Economist Huw Pill's Table Mountain analogy (with rates remaining in the region of 5% for longer) appears plausible.

Until now, the impact of government indebtedness on interest payments has been moderated by the decline in market interest rates. This looks set to change – UK Chancellor Jeremy Hunt recently warned that the government needs to locate an extra £23 billion to service its debt compared with March due to the recent selloff. To further contextualise, forecasters predict that this means the UK will allocate 3% of gross domestic product ("GDP") solely to servicing its debt over the coming years, versus 1% two years ago.

It is always a challenge to predict with any certainty what this means for markets, but government austerity may challenge consumer sentiment. However, this must be considered on balance with recently observed consumer confidence growth, the degree of household deposits still saved, and robust employment figures still coming out of the UK. We believe that these points alone provide enough support for consumer-focused areas of the markets to weather some of the macro headwinds encountered. And although Jeremy Hunt has already ruled out any tax cuts in November's budget, the government will have to keep one eye on the general election just around the corner.

There are some supportive statistics for our base case environment where rates are higher for longer – corporate debt and deposits as a proportion of GDP remain historically attractive, and as quality-focused managers this only broadens the pool that we are able to search in. By constructing our portfolios in a core, style-agnostic manner we mitigate extreme style risk – high-growth portfolios could potentially encounter challenges in an extended period of elevated interest rates. Furthermore, the FTSE 250 group of companies is no longer considered just the UK's growth engine. Although the mid-cap index has delivered superior growth versus the FTSE 100 over the long run, its dividend yield is now approaching parity with the blue-chip index, which is recognised for its income generation, providing ample opportunity for both income and growth to thrive. With dividends such an important component of UK total return, we remain of the view that companies with quality financials are set to outperform, given the propensity to weather challenging market environments whilst continuing to return capital to shareholders.

Critically, we believe that we are entering a new post-Covid regime. Inflation and rates are higher than in recent years, both of which could moderate the significance of market returns as central banks pivot to fight fires rather than bolster the economy. Thus, we believe that stock selection is increasingly important to an overall return profile, and that the opportunities for skilled, high-conviction managers to add active returns will significantly outweigh the opportunity for market returns.

**Richard Bullas, Dan Green, Joanne Rands & Ben Russon, CFA**  
Fund Managers  
30 September 2023

# FTF Martin Currie UK Managers' Focus Fund

## COMPARATIVE TABLES As at 30 September 2023

<b>S – Accumulation shares</b>	<b>30 September 2023</b>	<b>31 March 2023</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	147.12	153.50	143.79	106.32
Return before operating charges <sup>1</sup>	(5.63)	(5.47)	10.68	38.25
Operating charges <sup>2</sup>	(0.46)	(0.91)	(0.97)	(0.78)
Return after operating charges <sup>3</sup>	(6.09)	(6.38)	9.71	37.47
Distributions	(2.91)	(4.15)	(3.88)	(2.38)
Retained distributions on accumulation shares	2.91	4.15	3.88	2.38
Closing net asset value per share	141.03	147.12	153.50	143.79
After direct transaction costs of <sup>4</sup>	(0.11)	(0.09)	(0.22)	(0.19)
<b>Performance</b>				
Return after charges <sup>5</sup>	(4.14)%	(4.16)%	6.75%	35.24%
<b>Other information</b>				
Closing net asset value (£)	22,292,482	46,931,734	82,590,200	58,982,205
Closing number of shares	15,807,025	31,900,643	53,805,352	41,019,557
Operating charges ratio <sup>6</sup>	0.63%	0.62%	0.62%	0.63%
Direct transaction costs <sup>4</sup>	0.07%	0.06%	0.14%	0.15%
<b>Prices (p)</b>				
Highest share price	152.44	155.74	165.19	144.75
Lowest share price	135.80	132.24	139.07	103.34
<b>W – Accumulation shares</b>				
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	273.88	286.33	268.76	199.12
Return before operating charges <sup>1</sup>	(10.48)	(10.20)	19.97	71.60
Operating charges <sup>2</sup>	(1.12)	(2.25)	(2.40)	(1.96)
Return after operating charges <sup>3</sup>	(11.60)	(12.45)	17.57	69.64
Distributions	(5.14)	(7.18)	(6.66)	(3.99)
Retained distributions on accumulation shares	5.14	7.18	6.66	3.99
Closing net asset value per share	262.28	273.88	286.33	268.76
After direct transaction costs of <sup>4</sup>	(0.20)	(0.17)	(0.41)	(0.36)
<b>Performance</b>				
Return after charges <sup>5</sup>	(4.24)%	(4.35)%	6.54%	34.97%
<b>Other information</b>				
Closing net asset value (£)	93,045,748	116,867,329	222,039,305	241,487,473
Closing number of shares	35,475,692	42,671,145	77,547,708	89,854,018
Operating charges ratio <sup>6</sup>	0.83%	0.82%	0.82%	0.83%
Direct transaction costs <sup>4</sup>	0.07%	0.06%	0.14%	0.15%
<b>Prices (p)</b>				
Highest share price	283.74	290.48	308.29	270.57
Lowest share price	252.61	246.40	259.44	193.54

# FTF Martin Currie UK Managers' Focus Fund

## COMPARATIVE TABLES (Continued)

<u>W – Income shares</u>	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	93.32	100.33	96.38	72.57
Return before operating charges <sup>1</sup>	(3.57)	(3.73)	7.18	25.99
Operating charges <sup>2</sup>	(0.38)	(0.78)	(0.85)	(0.73)
Return after operating charges <sup>3</sup>	(3.95)	(4.51)	6.33	25.26
Distributions	(1.76)	(2.50)	(2.38)	(1.45)
Closing net asset value per share	87.61	93.32	100.33	96.38
After direct transaction costs of <sup>4</sup>	(0.07)	(0.06)	(0.15)	(0.13)
<b>Performance</b>				
Return after charges <sup>5</sup>	(4.23)%	(4.50)%	6.57%	34.81%
<b>Other information</b>				
Closing net asset value (£)	773,598	2,678,712	10,679,710	18,868,082
Closing number of shares	882,968	2,870,474	10,644,208	19,576,744
Operating charges ratio <sup>6</sup>	0.83%	0.82%	0.82%	0.83%
Direct transaction costs <sup>4</sup>	0.07%	0.06%	0.14%	0.15%
<b>Prices (p)</b>				
Highest share price	96.68	101.79	109.78	97.82
Lowest share price	86.08	84.89	91.88	70.52

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

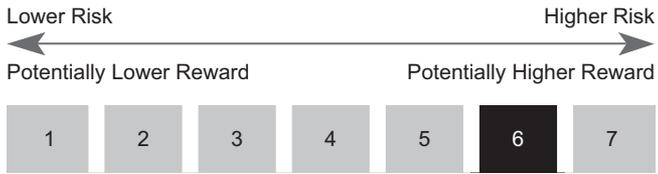
5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

# FTF Martin Currie UK Managers' Focus Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Martin Currie UK Managers' Focus Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 97.45% (97.39%)</b>		
	<b>ADVERTISING 2.32% (2.59%)</b>		
368,000	WPP .....	2,697	2.32
	<b>AGRICULTURE 4.76% (4.71%)</b>		
110,000	British American Tobacco.....	2,834	2.44
161,900	Imperial Brands .....	2,699	2.32
		5,533	4.76
	<b>AIRLINES 2.50% (2.56%)</b>		
268,000	JET2# .....	2,902	2.50
	<b>BANKS 2.65% (2.31%)</b>		
1,305,000	NatWest .....	3,075	2.65
	<b>COMMERCIAL SERVICES 5.24% (3.87%)</b>		
115,500	RELX .....	3,205	2.76
1,250,000	Restore# .....	2,875	2.48
		6,080	5.24
	<b>COMPUTERS 2.57% (2.34%)</b>		
2,000,000	Serco .....	2,980	2.57
	<b>COSMETICS &amp; PERSONAL CARE 2.52% (2.63%)</b>		
72,000	Unilever .....	2,924	2.52
	<b>DISTRIBUTION &amp; WHOLESALE 2.62% (2.51%)</b>		
104,000	Bunzl .....	3,042	2.62
	<b>DIVERSIFIED FINANCIAL SERVICES 10.11% (9.13%)</b>		
160,000	Alpha International# .....	3,008	2.59
460,000	JTC .....	3,358	2.89
635,000	Polar Capital# .....	2,953	2.54
292,000	St James's Place .....	2,430	2.09
		11,749	10.11
	<b>ELECTRONICS 2.13% (5.00%)</b>		
365,000	DiscoverIE .....	2,471	2.13
	<b>FOOD PRODUCERS 3.00% (7.62%)</b>		
98,000	Cranswick .....	3,481	3.00
	<b>HEALTHCARE PRODUCTS 2.20% (2.48%)</b>		
250,000	Smith & Nephew .....	2,556	2.20
	<b>HOME BUILDERS 3.13% (2.65%)</b>		
159,500	Bellway .....	3,640	3.13
	<b>HOME FURNISHINGS 2.54% (2.56%)</b>		
400,000	Howden Joinery .....	2,946	2.54
	<b>HOUSEHOLD PRODUCTS 2.55% (2.49%)</b>		
51,200	Reckitt Benckiser .....	2,966	2.55
	<b>INSURANCE 2.42% (2.35%)</b>		
582,000	Phoenix .....	2,806	2.42
	<b>INTERNET 1.69% (0.00%)</b>		
300,000	Auction Technology .....	1,959	1.69
	<b>MACHINERY DIVERSIFIED 2.77% (2.49%)</b>		
740,000	Vesuvius .....	3,213	2.77
	<b>METAL &amp; HARDWARE 2.75% (2.75%)</b>		
490,000	Bodycote .....	3,197	2.75
	<b>MINING 2.75% (2.57%)</b>		
61,750	Rio Tinto .....	3,195	2.75
	<b>MISCELLANEOUS MANUFACTURING 5.02% (5.59%)</b>		
143,888	Avon Protection .....	889	0.76

# FTF Martin Currie UK Managers' Focus Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>MISCELLANEOUS MANUFACTURING (Continued)</b>		
1,000,000	Chemring.....	2,775	2.39
600,000	Volusion .....	2,171	1.87
		<u>5,835</u>	<u>5.02</u>
	<b>OIL &amp; GAS PRODUCERS 8.38% (7.99%)</b>		
622,000	BP.....	3,305	2.85
68,000	DCC .....	3,134	2.70
126,000	Shell .....	3,284	2.83
		<u>9,723</u>	<u>8.38</u>
	<b>PHARMACEUTICALS 5.29% (5.13%)</b>		
27,500	AstraZeneca.....	3,052	2.63
207,000	GSK .....	3,088	2.66
		<u>6,140</u>	<u>5.29</u>
	<b>PRIVATE EQUITY 2.55% (2.46%)</b>		
214,500	Intermediate Capital .....	2,967	2.55
	<b>REAL ESTATE INVESTMENT &amp; SERVICES 2.76% (0.00%)</b>		
1,370,000	Grainger .....	3,200	2.76
	<b>REAL ESTATE INVESTMENT TRUSTS 2.74% (2.52%)</b>		
165,000	Derwent London .....	3,180	2.74
	<b>RETAIL 5.25% (2.40%)</b>		
147,500	Associated British Foods .....	3,050	2.63
41,800	Next.....	3,049	2.62
		<u>6,099</u>	<u>5.25</u>
	<b>SOFTWARE 0.00% (3.73%)</b>		
	<b>TELECOMMUNICATIONS 2.24% (1.96%)</b>		
1,885,000	Spirent Communications .....	2,601	2.24
	<b>TOTAL - EQUITIES</b>	<u>113,157</u>	<u>97.45</u>
	<b>CERTIFICATE OF DEPOSITS 2.24% (1.62%)</b>		
2,600,000	Royal Bank Of Canada, 5.180%, 02/10/2023 .....	2,600	2.24
	<b>TOTAL VALUE OF INVESTMENTS</b>	<u>115,757</u>	<u>99.69</u>
	<b>OTHER ASSETS</b>	<u>355</u>	<u>0.31</u>
	<b>TOTAL NET ASSETS</b>	<u>116,112</u>	<u>100.00</u>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

# Traded on an alternative investment market.

# FTF Martin Currie UK Managers' Focus Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(7,878)		(37,425)
Revenue	3,177		5,079	
Expenses	(525)		(1,010)	
Interest payable and similar charges	-		-	
Net revenue before taxation	2,652		4,069	
Taxation	-		-	
Net revenue after taxation		2,652		4,069
<b>Total return before distributions</b>		<b>(5,226)</b>		<b>(33,356)</b>
Distributions		(2,653)		(4,069)
<b>Change in net assets attributable to shareholders</b>		<b>(7,879)</b>		<b>(37,425)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>166,478</b>		<b>315,313</b>
Amounts received on creation of shares	783		2,593	
Amounts paid on cancellation of shares	(45,638)		(90,242)	
		(44,855)		(87,649)
Dilution adjustment		85		85
Change in net assets attributable to shareholders from investment activities (see above)		(7,879)		(37,425)
Retained distribution on accumulation shares		2,283		3,275
<b>Closing net assets attributable to shareholders</b>		<b>116,112</b>		<b>193,599</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	115,757	164,823
Current assets		
Debtors	746	2,513
Cash and bank balances	46	47
Total assets	116,549	167,383
<b>Liabilities</b>		
Creditors		
Bank overdrafts	-	(2)
Distributions payable	(16)	(29)
Other creditors	(421)	(874)
Total liabilities	(437)	(905)
<b>Net assets attributable to shareholders</b>	<b>116,112</b>	<b>166,478</b>

# FTF Martin Currie UK Managers' Focus Fund

## DISTRIBUTION TABLES For the period 1 April 2023 to 30 September 2023

### For the period 1 April 2023 to 30 September 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased in the period 1 April 2023 to 30 September 2023

	Net Income	Equalisation	30 September 2023 Pence per Share	30 September 2022 Pence per Share
	p	p	p	p
<b>S Accumulation Shares</b>				
Group 1	2.9121	-	2.9121	2.3876
Group 2	2.3534	0.5587	2.9121	2.3876
<b>W Accumulation Shares</b>				
Group 1	5.1386	-	5.1386	4.1772
Group 2	2.3930	2.7456	5.1386	4.1772
<b>W Income Shares</b>				
Group 1	1.7567	-	1.7567	1.4683
Group 2	0.6446	1.1121	1.7567	1.4683

### Equalisation

All shareholders, within each share category, receive the same distribution per share, although the distribution to shareholders who purchased shares during the distribution period (Group 2 holdings) contains an element of equalisation which is a repayment, at an average rate per share, of the amount of accrued net income which was included in the purchase price of such shares. As the nature of this payment is capital it is not subject to income tax but must be deducted from the purchase price in any capital gains tax computation on the sale of the shares.

# FTF Martin Currie UK Mid Cap Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value by more than the FTSE 250 (ex-Investment Trusts) Index, from a combination of income and investment growth over a three to five-year period after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least two thirds (but typically significantly more) in the shares of medium-sized companies that are constituents of the FTSE 250 (ex-Investment Trusts) Index and that are incorporated/domiciled in the UK or which have significant business operations in the UK. This will typically be around 30–50 companies.

The Investment Manager tries to further reduce risk by making sure no single company share dominates the Fund's investments. Normally, the Investment Manager tries to keep shareholdings in any individual company between 1.5% and 5% of the Fund's total value.

The Investment Manager does not intend to invest in every company in the FTSE 250 (ex-Investment Trusts) Index and, while the Investment Manager has the freedom to invest up to 10% of the Fund's assets outside of it, this is rare and typically has been because of changes to an index composition.

Any proportion of the Fund can be invested into specific industry sectors, but the Investment Manager seeks to avoid any unintentional emphasis on a sector in a way that could increase the level of risk.

Very occasionally and to a much lesser extent, the Fund may also invest in debt securities or bonds (debt obligations that pay interest) issued by governments, government-related, supranational organisations or corporations or convertibles, a type of corporate bond that can be exchanged for shares in the same organisation.

The Fund may also invest a proportion of its portfolio in other types of transferable securities, cash and cash equivalents, money market instruments, and other collective investment schemes.

The Fund can use derivatives for efficient portfolio management (managing the fund in a way that is designed to reduce risk or cost and/or generate extra income or growth). However, the Fund can introduce more speculative use of derivatives in the future on 60 days' notice to investors. Derivatives are financial contracts whose value is linked to the price of another asset (e.g. indices, interest rates, share prices or currencies).

In selecting investments, the Investment Manager also assesses environmental, social and governance ("ESG") factors that could impact the ability of an issuer to generate future sustainable returns. These may include shareholder rights, accounting standards, remuneration, board structure, labour relations, supply chain, data protection, pollution/hazardous waste policies, water usage and climate change policies.

This ESG assessment is quantitative and qualitative, using the Investment Manager's proprietary ESG rating system, and its direct research and engagement process. The proprietary ESG assessment captures forward looking analysis. Investments are assigned a risk rating based on the Investment Manager's assessment of ESG factors. Investments are assigned a score of 1 to 5 in respect of each of governance and sustainability (meaning environmental and social factors), with 5 denoting high risk. Investments with a governance or sustainability risk rating of 4 or above will not be selected for the portfolio. The Investment Manager's assessment of a company's ESG characteristics may impact the Investment Manager's view of that company's financial valuation and attractiveness.

Where the Investment Manager identifies areas that do not meet expectations of best practice on material governance or sustainability issues, the Investment Manager will engage with companies to encourage improvement.

The Fund will not invest in:

- Companies which generate revenue from the production or distribution of controversial weapons (i.e. antipersonnel mines, biological and chemical weaponry and cluster munitions).
- Companies assessed as 'fail' under the UN Global Compact.

# FTF Martin Currie UK Mid Cap Fund

## INVESTMENT REVIEW

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### PERFORMANCE

In the six months to 30 September 2023, the FTF Martin Currie UK Mid Cap Fund (W Accumulation) recorded a net return of -0.98%, compared with the FTSE 250 (ex Investment Trusts) Index, which returned -1.17%.

### OVERVIEW

After a short-lived rotation back in favour of growth assets, growth sentiment waned in the third quarter as geopolitical factors once again returned to the fore. A sharp recovery in crude oil prices driven by Saudi Arabia and Russia's decision to limit exports supported the UK-listed oil majors – BP and Shell, which collectively account for 10% of the UK market, responded well. Furthermore, UK-quoted diversified energy and materials businesses also benefitted from sterling weakness vs the US dollar, a trend that generally supports blue-chip companies, where 70% of earnings are sourced internationally. Anglo American, Rio Tinto, and Glencore were all beneficiaries. Conversely, the main detractor from UK market returns were utility businesses as investors priced in rising rates – as 'bond proxies', they are considered less attractive in a higher interest rate environment, and utility companies also tend to operate higher levels of leverage, meaning that refinancing risk is increasingly considered. As pragmatic investors, we naturally keep a watchful eye on portfolio leverage, although we appreciate the capital intensity of the utility industry, and furthermore believe that select opportunities still exist in the sector, which exploit its inherent stable cash flow, defensive characteristics and clean energy themes.

During the period, the Office for National Statistics implemented a new calculation methodology and enhanced the quality of data used to calculate economic growth. The result of this was a significant uplift in the prior growth rate, so that between the end of 2019 and 2021 the economy had grown by 1.2%, as opposed to a 0.6% decline according to previous calculation.

While there had been clues that the economy was stronger than data was suggesting, given the robustness of tax receipts and strength of the labour market in the wake of the pandemic, this revision confirmed the United Kingdom ("UK") was no outlier in terms of growth. The Bank of England's ("BoE's") decision to leave rates on hold in September left the bank rate at 5.25% after a period of consecutive hikes, which appeared reasonable given the lower-than-expected inflation data that was also released during the month. This showed prices increasing 6.7% year-on-year, far from recent highs.

In contrast to many developed markets, the selloff in long-dated UK Gilts moderated through the third quarter, which stabilised market interest rates, and consumers also saw mortgage rates fall alongside the energy price cap. Given this more positive news, domestic areas of the UK market recovered amid resilient consumer confidence and widespread consensus that base rates had peaked. Among UK small- and mid-cap companies, a number of consumer discretionary segments recovered well, including housebuilders Bellway and Taylor Wimpey, both beneficiaries of dovish policy. Furthermore, select consumer names including pub groups, retailers and travel companies were all supported by prospects of improved consumer budgets. Trade kitchen manufacturer and supplier Howden Group had a particularly strong period, earning promotion into the FTSE 100 at the end of September.

Conversely, telecommunications small- and mid-cap companies had a challenging period, broadly impacted by order book delays caused by the global growth slowdown, deferral of previously anticipated technology spend, and the deterioration of Chinese economic activity. However, this was somewhat offset by an uptick in M&A activity. Whilst activity remains below its long-term average, during the third quarter bids were announced for Ergomed and Gresham House, which supported sentiment and valuations amongst UK small- and mid-cap businesses.

### SIGNIFICANT CHANGES

The top five buys during the six-month period were: Derwent London, Watches of Switzerland, Genuit and JTC.

The top five sells during the six-month period were: RS Group, Bytes Technology, Computacenter, Cranswick and Page Group.

### POSITIVE/NEGATIVE CONTRIBUTORS

At the sector level, a lack of exposure to pharmaceuticals and biotechnology detracted from relative returns, as did stock selection in and an overweight position in personal goods. Conversely, stock selection in food producers and construction and materials contributed to relative returns, as did stock selection in and an overweight to software and computer services.

At a stock level, Liontrust was the greatest detractor from portfolio performance during the period. The shares declined 36.5% after announcing the proposed acquisition of troubled Swiss asset manager GAM. Luxury watch retailer Watches of Switzerland (WOSG) also detracted from relative performance, with the shares falling 34.7% over the period. Investors were concerned by the news that Swiss watch manufacturer Rolex was to acquire Bucherer, a European luxury watch retailer, potentially limiting supply to other distributors. However, WOSG later received reassurance from Rolex that this was not their intention and that the manufacturer could actually accelerate supply to larger corporate distributors.

Bytes Technology was the greatest contributor to portfolio returns during the period. The shares advanced 31.5% after their full-year results prompted analysts to upgrade future profit forecasts. Cranswick also contributed to portfolio returns during the period, with the shares advancing 20.4% after the company announced an uplift to full-year profit guidance due to strong trading.

# FTF Martin Currie UK Mid Cap Fund

## INVESTMENT REVIEW *(Continued)*

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### OUTLOOK

When discussing third-quarter optimism, we acknowledge the existence of a challenging and unknown path ahead. We must remember that interest rates are higher than they have been in decades, and as good as things may seem domestically, economic signals are frequently diverging overseas. This is particularly relevant to the swathes of the UK market that source earnings overseas. And things are not all rosy at home either – since the start of October, UK Gilts have been caught up in the government bond rout, with yields exceeding the highs of the ‘mini-budget’ pandemonium 12 months ago. Strong employment data from the UK and the United States has fuelled this selloff, adding to the push/pull dynamic between a resilient and confident consumer, and policymaker attempts to keep inflation under control. BoE Chief Economist Huw Pill’s Table Mountain analogy (with rates remaining in the region of 5% for longer) appears plausible.

Until now, the impact of government indebtedness on interest payments has been moderated by the decline in market interest rates. This looks set to change – UK Chancellor Jeremy Hunt recently warned that the government needs to locate an extra £23 billion to service its debt compared with March due to the recent selloff. To further contextualise, forecasters predict that this means the UK will allocate 3% of gross domestic product (“GDP”) solely to servicing its debt over the coming years, versus 1% two years ago.

It is always a challenge to predict with any certainty what this means for markets, but government austerity may challenge consumer sentiment. However, this must be considered on balance with recently observed consumer confidence growth, the degree of household deposits still saved, and robust employment figures still coming out of the UK. We believe that these points alone provide enough support for consumer-focused areas of the markets to weather some of the macro headwinds encountered. And although Jeremy Hunt has already ruled out any tax cuts in November’s budget, the government will have to keep one eye on the general election just around the corner.

There are some supportive statistics for our base case environment where rates are higher for longer – corporate debt and deposits as a proportion of GDP remain historically attractive, and as quality-focused managers this only broadens the pool that we are able to search in. By constructing our portfolios in a core, style-agnostic manner we mitigate extreme style risk – high-growth portfolios could potentially encounter challenges in an extended period of elevated interest rates. Furthermore, the FTSE 250 group of companies is no longer considered just the UK’s growth engine. Although the mid-cap index has delivered superior growth versus the FTSE 100 over the long run, its dividend yield is now approaching parity with the blue-chip index, which is recognised for its income generation, providing ample opportunity for both income and growth to thrive. With dividends such an important component of UK total return, we remain of the view that companies with quality financials are set to outperform, given the propensity to weather challenging market environments whilst continuing to return capital to shareholders.

Critically, we believe that we are entering a new post-Covid regime. Inflation and rates are higher than in recent years, both of which could moderate the significance of market returns as central banks pivot to fight fires rather than bolster the economy. Thus, we believe that stock selection is increasingly important to an overall return profile, and that the opportunities for skilled, high-conviction managers to add active returns will significantly outweigh the opportunity for market returns.

**Richard Bullas, Dan Green, Marcus Tregoning**  
Fund Managers  
30 September 2023

# FTF Martin Currie UK Mid Cap Fund

## COMPARATIVE TABLES As at 30 September 2023

<b>S – Accumulation shares</b>	<b>30 September 2023</b>	<b>31 March 2023</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	136.64	143.59	148.04	107.11
Return before operating charges <sup>1</sup>	(0.87)	(6.11)	(3.46)	41.72
Operating charges <sup>2</sup>	(0.43)	(0.84)	(0.99)	(0.79)
Return after operating charges <sup>3</sup>	(1.30)	(6.95)	(4.45)	40.93
Distributions	(3.16)	(3.57)	(2.69)	(1.08)
Retained distributions on accumulation shares	3.16	3.57	2.69	1.08
Closing net asset value per share	135.34	136.64	143.59	148.04
After direct transaction costs of <sup>4</sup>	(0.01)	(0.07)	(0.11)	(0.17)
<b>Performance</b>				
Return after charges <sup>5</sup>	(0.95)%	(4.84)%	(3.01)%	38.21%
<b>Other information</b>				
Closing net asset value (£)	95,346,409	94,697,757	117,100,006	121,281,087
Closing number of shares	70,447,536	69,303,959	81,554,151	81,924,662
Operating charges ratio <sup>6</sup>	0.62%	0.62%	0.62%	0.62%
Direct transaction costs <sup>4</sup>	0.01%	0.05%	0.07%	0.13%
<b>Prices (p)</b>				
Highest share price	143.53	148.14	175.52	148.59
Lowest share price	130.85	116.12	129.19	101.37
<b>S – Income shares</b>				
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	99.52	107.70	112.96	82.35
Return before operating charges <sup>1</sup>	(0.64)	(4.90)	(2.47)	32.05
Operating charges <sup>2</sup>	(0.31)	(0.62)	(0.75)	(0.61)
Return after operating charges <sup>3</sup>	(0.95)	(5.52)	(3.22)	31.44
Distributions	(2.30)	(2.66)	(2.04)	(0.83)
Closing net asset value per share	96.27	99.52	107.70	112.96
After direct transaction costs of <sup>4</sup>	(0.01)	(0.05)	(0.09)	(0.13)
<b>Performance</b>				
Return after charges <sup>5</sup>	(0.95)%	(5.13)%	(2.85)%	38.18%
<b>Other information</b>				
Closing net asset value (£)	108,547,486	116,169,205	187,166,688	238,156,573
Closing number of shares	112,754,251	116,731,694	173,793,080	210,836,610
Operating charges ratio <sup>6</sup>	0.62%	0.62%	0.62%	0.62%
Direct transaction costs <sup>4</sup>	0.01%	0.05%	0.07%	0.13%
<b>Prices (p)</b>				
Highest share price	104.54	108.65	133.94	114.16
Lowest share price	95.30	85.16	97.48	77.88

# FTF Martin Currie UK Mid Cap Fund

## COMPARATIVE TABLES (Continued)

<b>W – Accumulation shares</b>	<b>30 September 2023</b>	<b>31 March 2023</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	244.33	257.26	265.78	192.69
Return before operating charges <sup>1</sup>	(1.55)	(10.94)	(6.17)	74.97
Operating charges <sup>2</sup>	(1.01)	(1.99)	(2.35)	(1.88)
Return after operating charges <sup>3</sup>	(2.56)	(12.93)	(8.52)	73.09
Distributions	(5.41)	(5.91)	(4.24)	(1.49)
Retained distributions on accumulation shares	5.41	5.91	4.24	1.49
Closing net asset value per share	241.77	244.33	257.26	265.78
After direct transaction costs of <sup>4</sup>	(0.03)	(0.13)	(0.20)	(0.30)
<b>Performance</b>				
Return after charges <sup>5</sup>	(1.05)%	(5.03)%	(3.21)%	37.93%
<b>Other information</b>				
Closing net asset value (£)	254,425,858	297,299,307	341,879,063	359,212,750
Closing number of shares	105,235,275	121,679,293	132,890,512	135,153,425
Operating charges ratio <sup>6</sup>	0.82%	0.82%	0.82%	0.82%
Direct transaction costs <sup>4</sup>	0.01%	0.05%	0.07%	0.13%
<b>Prices (p)</b>				
Highest share price	256.50	264.97	314.85	266.76
Lowest share price	233.80	207.83	231.50	182.35
<b>W – Income shares</b>				
	<b>30 September 2023</b>	<b>31 March 2023</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	175.05	189.41	198.65	144.85
Return before operating charges <sup>1</sup>	(1.12)	(8.58)	(4.33)	56.35
Operating charges <sup>2</sup>	(0.72)	(1.45)	(1.75)	(1.43)
Return after operating charges <sup>3</sup>	(1.84)	(10.03)	(6.08)	54.92
Distributions	(3.87)	(4.33)	(3.16)	(1.12)
Closing net asset value per share	169.34	175.05	189.41	198.65
After direct transaction costs of <sup>4</sup>	(0.02)	(0.10)	(0.15)	(0.23)
<b>Performance</b>				
Return after charges <sup>5</sup>	(1.05)%	(5.30)%	(3.06)%	37.92%
<b>Other information</b>				
Closing net asset value (£)	179,624,889	220,762,849	289,489,908	316,174,026
Closing number of shares	106,072,693	126,113,647	152,840,119	159,163,472
Operating charges ratio <sup>6</sup>	0.82%	0.82%	0.82%	0.82%
Direct transaction costs <sup>4</sup>	0.01%	0.05%	0.07%	0.13%
<b>Prices (p)</b>				
Highest share price	183.76	190.98	235.33	200.44
Lowest share price	167.50	149.79	171.26	136.99

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

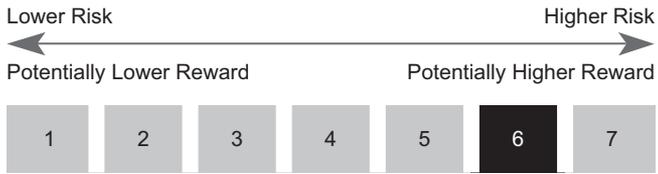
5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

# FTF Martin Currie UK Mid Cap Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Martin Currie UK Mid Cap Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 97.80% (95.86%)</b>		
	<b>BANKS 2.47% (2.28%)</b>		
3,200,000	Paragon Banking .....	15,744	2.47
	<b>BUILDING MATERIALS 3.10% (2.01%)</b>		
6,000,000	Genuit .....	19,770	3.10
	<b>COMMERCIAL SERVICES 6.54% (6.75%)</b>		
3,300,000	Pagegroup .....	13,834	2.17
8,750,000	QinetiQ .....	27,895	4.37
		41,729	6.54
	<b>COMPUTERS 10.39% (9.77%)</b>		
4,000,000	Bytes Technology .....	19,952	3.13
772,158	Computacenter .....	19,536	3.06
18,000,000	Serco .....	26,820	4.20
		66,308	10.39
	<b>DISTRIBUTION &amp; WHOLESALE 2.97% (2.66%)</b>		
2,500,000	Inchcape .....	18,962	2.97
	<b>DIVERSIFIED FINANCIAL SERVICES 11.16% (11.36%)</b>		
5,750,000	Ashmore .....	10,799	1.69
3,848,617	JTC .....	28,095	4.40
2,250,000	Liontrust Asset Management .....	13,657	2.14
1,075,000	Rathbones .....	18,683	2.93
		71,234	11.16
	<b>ELECTRONICS 4.66% (7.78%)</b>		
875,000	Spectris .....	29,697	4.66
	<b>FOOD PRODUCERS 9.80% (9.66%)</b>		
900,000	Cranswick .....	31,968	5.01
700,000	Greggs .....	17,136	2.69
6,600,000	SSP .....	13,372	2.10
		62,476	9.80
	<b>HOME BUILDERS 6.69% (5.65%)</b>		
960,000	Bellway .....	21,907	3.43
4,200,000	Redrow .....	20,782	3.26
		42,689	6.69
	<b>HOME FURNISHINGS 3.58% (3.30%)</b>		
3,100,000	Howden Joinery .....	22,828	3.58
	<b>MACHINERY DIVERSIFIED 6.19% (5.28%)</b>		
5,000,000	Rotork .....	15,620	2.45
5,500,000	Vesuvius .....	23,881	3.74
		39,501	6.19
	<b>METAL &amp; HARDWARE 4.22% (3.69%)</b>		
4,125,000	Bodycote .....	26,916	4.22
	<b>REAL ESTATE INVESTMENT &amp; SERVICES 4.39% (3.83%)</b>		
12,000,000	Grainger .....	28,032	4.39
	<b>REAL ESTATE INVESTMENT TRUSTS 6.39% (5.76%)</b>		
1,000,000	Derwent London .....	19,270	3.02
12,500,000	LondonMetric Property .....	21,500	3.37
		40,770	6.39
	<b>RETAIL 9.34% (9.42%)</b>		
2,000,000	Grafton .....	18,080	2.84
8,000,000	Pets at Home .....	26,768	4.20
2,750,000	Watches of Switzerland .....	14,685	2.30
		59,533	9.34

## FTF Martin Currie UK Mid Cap Fund

### PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>TELECOMMUNICATIONS 2.27% (3.09%)</b>		
10,500,000	Spirent Communications .....	14,490	2.27
	<b>TOYS, GAMES &amp; HOBBIES 3.64% (3.57%)</b>		
220,000	Games Workshop .....	23,232	3.64
	TOTAL - EQUITIES	<u>623,911</u>	<u>97.80</u>
	<b>CERTIFICATE OF DEPOSITS 2.95% (4.48%)</b>		
18,800,000	Royal Bank Of Canada, 5.180%, 02/10/2023 .....	18,800	2.95
	<b>TOTAL VALUE OF INVESTMENTS</b> .....	<b><u>642,711</u></b>	<b><u>100.75</u></b>
	<b>OTHER LIABILITIES</b> .....	<b><u>(4,766)</u></b>	<b><u>(0.75)</u></b>
	<b>TOTAL NET ASSETS</b> .....	<b><u>637,945</u></b>	<b><u>100.00</u></b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

# FTF Martin Currie UK Mid Cap Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(21,711)		(176,745)
Revenue	18,202		18,777	
Expenses	(2,615)		(3,156)	
Interest payable and similar charges	-		-	
Net revenue before taxation	15,587		15,621	
Taxation	-		-	
Net revenue after taxation		15,587		15,621
<b>Total return before distributions</b>		<b>(6,124)</b>		<b>(161,124)</b>
Distributions		(15,591)		(15,621)
<b>Change in net assets attributable to shareholders</b>		<b>(21,715)</b>		<b>(176,745)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>728,929</b>		<b>935,640</b>
Amounts received on creation of shares	7,586		11,182	
Amounts paid on cancellation of shares	(84,781)		(111,771)	
		(77,195)		(100,589)
Dilution adjustment		4		-
Change in net assets attributable to shareholders from investment activities (see above)		(21,715)		(176,745)
Retained distribution on accumulation shares		7,922		7,278
<b>Closing net assets attributable to shareholders</b>		<b>637,945</b>		<b>665,584</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	642,711	731,423
Current assets		
Debtors	4,869	1,956
Cash and bank balances	7	49
Total assets	647,587	733,428
<b>Liabilities</b>		
Creditors		
Distributions payable	(6,703)	(2,141)
Other creditors	(2,939)	(2,358)
Total liabilities	(9,642)	(4,499)
<b>Net assets attributable to shareholders</b>	<b>637,945</b>	<b>728,929</b>

# FTF Martin Currie UK Mid Cap Fund

## DISTRIBUTION TABLES For the period 1 April 2023 to 30 September 2023

For the period 1 April 2023 to 30 September 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased in the period 1 April 2023 to 30 September 2023

	Net Income	Equalisation	30 September 2023 Pence per Share	30 September 2022 Pence per Share
	p	p	p	p
<b>S Accumulation Shares</b>				
Group 1	3.1628	-	3.1628	2.6203
Group 2	1.4373	1.7255	3.1628	2.6203
<b>S Income Shares</b>				
Group 1	2.3024	-	2.3024	1.9628
Group 2	1.5899	0.7125	2.3024	1.9628
<b>W Accumulation Shares</b>				
Group 1	5.4112	-	5.4112	4.4457
Group 2	2.7220	2.6892	5.4112	4.4457
<b>W Income Shares</b>				
Group 1	3.8715	-	3.8715	3.2726
Group 2	1.8724	1.9991	3.8715	3.2726

### Equalisation

All shareholders, within each share category, receive the same distribution per share, although the distribution to shareholders who purchased shares during the distribution period (Group 2 holdings) contains an element of equalisation which is a repayment, at an average rate per share, of the amount of accrued net income which was included in the purchase price of such shares. As the nature of this payment is capital it is not subject to income tax but must be deducted from the purchase price in any capital gains tax computation on the sale of the shares.

# FTF Martin Currie UK Opportunities Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value by more than the FTSE All-Share Index, from a combination of income and investment growth over a three to five-year period after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least two thirds (but typically significantly more) in the shares of companies listed on the London Stock Exchange that are incorporated/domiciled in the UK or which have significant business operations in the UK. This will typically be around 30–50 companies.

The Investment Manager seeks to achieve the growth objective while maintaining volatility (a measure of the size of short-term changes in the value of an investment) at lower levels than that of the FTSE All-Share Index. This often means that the Fund invests in large- or medium-sized companies listed on the London Stock Exchange.

Any proportion of the Fund can be invested into specific industry sectors, but the Investment Manager seeks to avoid any unintentional emphasis on a sector in a way that could increase the level of risk.

The Investment Manager tries to further reduce risk by making sure no single company share dominates Fund investments. Normally, the Investment Manager tries to keep a shareholding in any individual company to between 1.5% and 5% of the Fund's assets.

The Investment Manager does not intend to invest in every company in the FTSE All-Share Index and, while the Investment Manager has the freedom to invest up to 10% of the Fund's assets in Continental European companies, this has historically been a rare occurrence.

Very occasionally and to a much lesser extent, the Fund may also invest in debt securities or bonds (debt obligations that pay interest) issued by governments, government-related, supranational organisations or corporations or convertibles, a type of corporate bond that can be exchanged for shares in the same organisation.

The Fund may also invest a proportion of its portfolio in other types of transferable securities, cash and cash equivalents, money market instruments, and other collective investment schemes.

The Fund can use derivatives for efficient portfolio management (managing the fund in a way that is designed to reduce risk or cost and/or generate extra income or growth). However, the Fund can introduce more speculative use of derivatives in the future on 60 days' notice to investors. Derivatives are financial contracts whose value is linked to the price of another asset (e.g. indices, interest rates, share prices or currencies).

In selecting investments, the Investment Manager also assesses environmental, social and governance ("ESG") factors that could impact the ability of an issuer to generate future sustainable returns. These may include shareholder rights, accounting standards, remuneration, board structure, labour relations, supply chain, data protection, pollution/hazardous waste policies, water usage and climate change policies.

This ESG assessment is quantitative and qualitative, using the Investment Manager's proprietary ESG rating system, and its direct research and engagement process. The proprietary ESG assessment captures forward looking analysis. Investments are assigned a risk rating based on the Investment Manager's assessment of ESG factors. Investments are assigned a score of 1 to 5 in respect of each of governance and sustainability (meaning environmental and social factors), with 5 denoting high risk. Investments with a governance or sustainability risk rating of 4 or above will not be selected for the portfolio. The Investment Manager's assessment of a company's ESG characteristics may impact the Investment Manager's view of that company's financial valuation and attractiveness.

Where the Investment Manager identifies areas that do not meet expectations of best practice on material governance or sustainability issues, the Investment Manager will engage with companies to encourage improvement.

Where the Investment Manager identifies potential violations of UN Global Compact principles, the Investment Manager will establish a structured engagement process with companies to encourage improvement.

The Fund will not invest in companies which generate revenue from the production or distribution of controversial weapons (i.e. antipersonnel mines, biological and chemical weaponry and cluster munitions).

# FTF Martin Currie UK Opportunities Fund

## INVESTMENT REVIEW

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### PERFORMANCE

In the six months to 30 September 2023, the FTF Martin Currie UK Opportunities Fund (W Accumulation) recorded a net return of -0.53%, compared with the FTSE All-Share Index, which returned 1.42%.

### OVERVIEW

After a short-lived rotation back in favour of growth assets, growth sentiment waned in the third quarter as geopolitical factors once again returned to the fore. A sharp recovery in crude oil prices driven by Saudi Arabia and Russia's decision to limit exports supported the UK-listed oil majors – BP and Shell, which collectively account for 10% of the UK market, responded well. Furthermore, UK-quoted diversified energy and materials businesses also benefitted from sterling weakness vs the US dollar, a trend that generally supports blue-chip companies, where 70% of earnings are sourced internationally. Anglo American, Rio Tinto, and Glencore were all beneficiaries. Conversely, the main detractor from UK market returns were utility businesses as investors priced in rising rates – as 'bond proxies', they are considered less attractive in a higher interest rate environment, and utility companies also tend to operate higher levels of leverage, meaning that refinancing risk is increasingly considered. As pragmatic investors, we naturally keep a watchful eye on portfolio leverage, although we appreciate the capital intensity of the utility industry, and furthermore believe that select opportunities still exist in the sector, which exploit its inherent stable cash flow, defensive characteristics and clean energy themes.

During the period, the Office for National Statistics implemented a new calculation methodology and enhanced the quality of data used to calculate economic growth. The result of this was a significant uplift in the prior growth rate, so that between the end of 2019 and 2021 the economy had grown by 1.2%, as opposed to a 0.6% decline according to previous calculation.

While there had been clues that the economy was stronger than data was suggesting, given the robustness of tax receipts and strength of the labour market in the wake of the pandemic, this revision confirmed the United Kingdom ("UK") was no outlier in terms of growth. The Bank of England's ("BoE's") decision to leave rates on hold in September left the bank rate at 5.25% after a period of consecutive hikes, which appeared reasonable given the lower-than-expected inflation data that was also released during the month. This showed prices increasing 6.7% year-on-year, far from recent highs.

In contrast to many developed markets, the selloff in long-dated UK Gilts moderated through the third quarter, which stabilised market interest rates, and consumers also saw mortgage rates fall alongside the energy price cap. Given this more positive news, domestic areas of the UK market recovered amid resilient consumer confidence and widespread consensus that base rates had peaked. Among UK small- and mid-cap companies, a number of consumer discretionary segments recovered well, including housebuilders Bellway and Taylor Wimpey, both beneficiaries of dovish policy. Furthermore, select consumer names including pub groups, retailers and travel companies were all supported by prospects of improved consumer budgets. Trade kitchen manufacturer and supplier Howden Group had a particularly strong period, earning promotion into the FTSE 100 at the end of September.

Conversely, telecommunications small- and mid-cap companies had a challenging period, broadly impacted by order book delays caused by the global growth slowdown, deferral of previously anticipated technology spend, and the deterioration of Chinese economic activity. However, this was somewhat offset by an uptick in M&A activity. Whilst activity remains below its long-term average, during the third quarter bids were announced for Ergomed and Gresham House, which supported sentiment and valuations amongst UK small- and mid-cap businesses.

### SIGNIFICANT CHANGES

The top five buys during the six-month period were: Bellway, Intertek, NatWest, Victrex and Experian.

The top five sells during the six-month period were: Persimmon, Dunelm, AstraZeneca, QinetiQ and Britvic.

### POSITIVE/NEGATIVE CONTRIBUTORS

At the sector level, stock selection in and an underweight to banks and aerospace and defence detracted from relative results, as did stock selection in investment banking and brokerage services. Conversely, stock selection in food producers and software and computer services contributed to relative returns, as did a lack of exposure to telecommunications service providers.

At a stock level, Liontrust Asset Management was the greatest detractor from portfolio performance during the period. The shares declined 36.5% after announcing the proposed acquisition of troubled Swiss asset manager GAM. Financial advice business St James's Place also detracted, with the shares falling 27.7% after a weak update, which saw client flows miss expectations and changes to the company's fee structure, prompted by new FCA rules regarding duty to clients in July.

In contrast, accountancy software provider Sage was the top contributor during the period. The shares advanced 28.5%, continuing a strong run driven by an increased proportion of recurring revenues, which have helped to increase growth rates. Alternative asset manager Intermediate Capital also contributed, with the shares advancing 17.9% after a strong set of full-year results, which emphasised the resilience of the business model in a more difficult backdrop.

# FTF Martin Currie UK Opportunities Fund

## INVESTMENT REVIEW *(Continued)*

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### OUTLOOK

When discussing third-quarter optimism, we acknowledge the existence of a challenging and unknown path ahead. We must remember that interest rates are higher than they have been in decades, and as good as things may seem domestically, economic signals are frequently diverging overseas. This is particularly relevant to the swathes of the UK market that source earnings overseas. And things are not all rosy at home either – since the start of October, UK Gilts have been caught up in the government bond rout, with yields exceeding the highs of the ‘mini-budget’ pandemonium 12 months ago. Strong employment data from the UK and the United States has fuelled this selloff, adding to the push/pull dynamic between a resilient and confident consumer, and policymaker attempts to keep inflation under control. BoE Chief Economist Huw Pill’s Table Mountain analogy (with rates remaining in the region of 5% for longer) appears plausible.

Until now, the impact of government indebtedness on interest payments has been moderated by the decline in market interest rates. This looks set to change – UK Chancellor Jeremy Hunt recently warned that the government needs to locate an extra £23 billion to service its debt compared with March due to the recent selloff. To further contextualise, forecasters predict that this means the UK will allocate 3% of gross domestic product (“GDP”) solely to servicing its debt over the coming years, versus 1% two years ago.

It is always a challenge to predict with any certainty what this means for markets, but government austerity may challenge consumer sentiment. However, this must be considered on balance with recently observed consumer confidence growth, the degree of household deposits still saved, and robust employment figures still coming out of the UK. We believe that these points alone provide enough support for consumer-focused areas of the markets to weather some of the macro headwinds encountered. And although Jeremy Hunt has already ruled out any tax cuts in November’s budget, the government will have to keep one eye on the general election just around the corner.

There are some supportive statistics for our base case environment where rates are higher for longer – corporate debt and deposits as a proportion of GDP remain historically attractive, and as quality-focused managers this only broadens the pool that we are able to search in. By constructing our portfolios in a core, style-agnostic manner we mitigate extreme style risk – high-growth portfolios could potentially encounter challenges in an extended period of elevated interest rates. Furthermore, the FTSE 250 group of companies is no longer considered just the UK’s growth engine. Although the mid-cap index has delivered superior growth versus the FTSE 100 over the long run, its dividend yield is now approaching parity with the blue-chip index, which is recognised for its income generation, providing ample opportunity for both income and growth to thrive. With dividends such an important component of UK total return, we remain of the view that companies with quality financials are set to outperform, given the propensity to weather challenging market environments whilst continuing to return capital to shareholders.

Critically, we believe that we are entering a new post-Covid regime. Inflation and rates are higher than in recent years, both of which could moderate the significance of market returns as central banks pivot to fight fires rather than bolster the economy. Thus, we believe that stock selection is increasingly important to an overall return profile, and that the opportunities for skilled, high-conviction managers to add active returns will significantly outweigh the opportunity for market returns.

**Ben Russon, CFA, Will Bradwell & Joanne Rands**  
Fund Managers  
30 September 2023

# FTF Martin Currie UK Opportunities Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>W – Accumulation shares</u>	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	227.25	220.48	191.73	156.27
Return before operating charges <sup>1</sup>	(1.79)	7.95	29.85	36.43
Operating charges <sup>2</sup>	(0.62)	(1.18)	(1.10)	(0.97)
Return after operating charges <sup>3</sup>	(2.41)	6.77	28.75	35.46
Distributions	(4.94)	(7.66)	(7.48)	(5.62)
Retained distributions on accumulation shares	4.94	7.66	7.48	5.62
Closing net asset value per share	224.84	227.25	220.48	191.73
After direct transaction costs of <sup>4</sup>	(0.05)	(0.17)	(0.15)	(0.23)
<b>Performance</b>				
Return after charges <sup>5</sup>	(1.06)%	3.07%	15.00%	22.69%
<b>Other information</b>				
Closing net asset value (£)	13,427,860	13,785,424	13,113,112	11,029,310
Closing number of shares	5,972,288	6,066,152	5,947,472	5,752,616
Operating charges ratio <sup>6</sup>	0.55%	0.54%	0.53%	0.55%
Direct transaction costs <sup>4</sup>	0.02%	0.08%	0.07%	0.13%
<b>Prices (p)</b>				
Highest share price	234.55	237.00	220.56	191.65
Lowest share price	215.18	198.39	191.21	149.51
<b>W – Income shares</b>				
	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	121.23	122.03	109.99	92.51
Return before operating charges <sup>1</sup>	(0.95)	4.05	16.91	21.37
Operating charges <sup>2</sup>	(0.33)	(0.65)	(0.62)	(0.58)
Return after operating charges <sup>3</sup>	(1.28)	3.40	16.29	20.79
Distributions	(2.64)	(4.20)	(4.25)	(3.31)
Closing net asset value per share	117.31	121.23	122.03	109.99
After direct transaction costs of <sup>4</sup>	(0.03)	(0.09)	(0.08)	(0.13)
<b>Performance</b>				
Return after charges <sup>5</sup>	(1.06)%	2.79%	14.81%	22.47%
<b>Other information</b>				
Closing net asset value (£)	23,096,712	24,838,634	26,697,108	18,576,289
Closing number of shares	19,688,204	20,489,223	21,878,117	16,889,713
Operating charges ratio <sup>6</sup>	0.55%	0.54%	0.53%	0.55%
Direct transaction costs <sup>4</sup>	0.02%	0.08%	0.07%	0.13%
<b>Prices (p)</b>				
Highest share price	125.13	128.31	123.98	111.67
Lowest share price	114.80	107.41	109.68	88.39

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

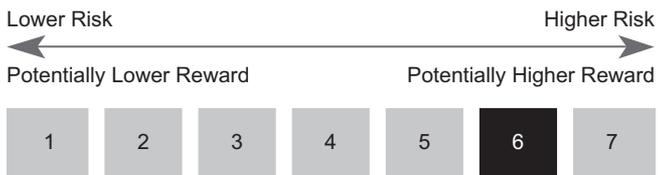
5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

# FTF Martin Currie UK Opportunities Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Martin Currie UK Opportunities Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 99.56% (98.61%)</b>		
	<b>ADVERTISING 1.51% (1.86%)</b>		
75,000	WPP .....	550	1.51
	<b>AGRICULTURE 5.21% (5.36%)</b>		
46,000	British American Tobacco.....	1,185	3.24
43,100	Imperial Brands .....	718	1.97
		<u>1,903</u>	<u>5.21</u>
	<b>APPAREL 1.20% (1.54%)</b>		
23,000	Burberry .....	439	1.20
	<b>BANKS 1.56% (1.34%)</b>		
241,000	NatWest .....	568	1.56
	<b>BEVERAGES 3.44% (4.07%)</b>		
64,000	Britvic.....	558	1.53
23,000	Diageo .....	698	1.91
		<u>1,256</u>	<u>3.44</u>
	<b>BUILDING MATERIALS 2.30% (2.22%)</b>		
18,500	CRH .....	840	2.30
	<b>CHEMICALS 1.27% (1.11%)</b>		
33,000	Victrex.....	464	1.27
	<b>COMMERCIAL SERVICES 7.69% (6.19%)</b>		
20,800	Experian .....	560	1.53
10,000	Intertek.....	411	1.13
163,000	QinetiQ.....	520	1.42
47,500	RELX.....	1,318	3.61
		<u>2,809</u>	<u>7.69</u>
	<b>COMPUTERS 1.49% (1.61%)</b>		
366,000	Serco .....	545	1.49
	<b>COSMETICS &amp; PERSONAL CARE 5.11% (4.99%)</b>		
46,000	Unilever.....	1,868	5.11
	<b>DISTRIBUTION &amp; WHOLESALE 1.68% (1.66%)</b>		
21,000	Bunzl .....	614	1.68
	<b>DIVERSIFIED FINANCIAL SERVICES 3.20% (4.30%)</b>		
48,000	Liontrust Asset Management .....	291	0.80
26,000	Rathbones .....	452	1.24
51,000	St James's Place .....	424	1.16
		<u>1,167</u>	<u>3.20</u>
	<b>ELECTRICITY 4.93% (5.12%)</b>		
98,500	National Grid .....	965	2.64
52,000	SSE.....	837	2.29
		<u>1,802</u>	<u>4.93</u>
	<b>FOOD PRODUCERS 4.02% (5.15%)</b>		
20,000	Cranswick .....	710	1.94
287,500	Tesco .....	760	2.08
		<u>1,470</u>	<u>4.02</u>
	<b>HEALTHCARE PRODUCTS 1.55% (1.52%)</b>		
55,500	Smith & Nephew.....	568	1.55
	<b>HOME BUILDERS 1.56% (1.33%)</b>		
25,000	Bellway .....	571	1.56
	<b>HOUSEHOLD PRODUCTS 2.51% (2.52%)</b>		
15,800	Reckitt Benckiser.....	915	2.51

## FTF Martin Currie UK Opportunities Fund

### PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>INSURANCE 3.10% (3.22%)</b>		
287,000	Legal & General .....	639	1.75
102,000	Phoenix .....	492	1.35
		<u>1,131</u>	<u>3.10</u>
	<b>MEDIA 1.89% (1.94%)</b>		
92,000	Informa.....	690	1.89
	<b>METAL &amp; HARDWARE 1.57% (1.59%)</b>		
88,000	Bodycote .....	574	1.57
	<b>MINING 5.19% (5.41%)</b>		
30,000	Anglo American .....	680	1.86
23,500	Rio Tinto .....	1,216	3.33
		<u>1,896</u>	<u>5.19</u>
	<b>MISCELLANEOUS MANUFACTURING 1.82% (1.91%)</b>		
41,000	Smiths.....	664	1.82
	<b>OIL &amp; GAS PRODUCERS 13.16% (11.95%)</b>		
393,000	BP.....	2,088	5.72
14,000	DCC .....	645	1.77
79,500	Shell .....	2,072	5.67
		<u>4,805</u>	<u>13.16</u>
	<b>PACKAGING &amp; CONTAINERS 1.71% (1.77%)</b>		
218,000	DS Smith .....	626	1.71
	<b>PHARMACEUTICALS 8.41% (8.28%)</b>		
16,700	AstraZeneca.....	1,854	5.08
81,500	GSK .....	1,216	3.33
		<u>3,070</u>	<u>8.41</u>
	<b>PRIVATE EQUITY 1.51% (1.45%)</b>		
40,000	Intermediate Capital .....	553	1.51
	<b>REAL ESTATE INVESTMENT TRUSTS 3.01% (2.87%)</b>		
310,000	LondonMetric Property.....	533	1.46
63,000	UNITE.....	565	1.55
		<u>1,098</u>	<u>3.01</u>
	<b>RETAIL 4.88% (3.50%)</b>		
32,000	Associated British Foods .....	662	1.81
57,000	Grafton.....	516	1.41
8,300	Next.....	605	1.66
		<u>1,783</u>	<u>4.88</u>
	<b>SOFTWARE 2.06% (1.61%)</b>		
76,000	Sage.....	752	2.06
	<b>TELECOMMUNICATIONS 1.02% (1.22%)</b>		
271,000	Spirent Communications .....	374	1.02
	<b>TOTAL - EQUITIES</b>	<u>36,365</u>	<u>99.56</u>
	<b>CERTIFICATE OF DEPOSITS 1.37% (1.81%)</b>		
500,000	Royal Bank Of Canada, 5.180%, 02/10/2023 .....	500	1.37
	<b>TOTAL VALUE OF INVESTMENTS</b> .....	<u>36,865</u>	<u>100.93</u>
	<b>OTHER LIABILITIES</b> .....	<u>(340)</u>	<u>(0.93)</u>
	<b>TOTAL NET ASSETS</b> .....	<u>36,525</u>	<u>100.00</u>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

# FTF Martin Currie UK Opportunities Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	<u>30 September 2023</u>	<u>30 September 2023</u>	<u>30 September 2022</u>	<u>30 September 2022</u>
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(1,233)		(4,376)
Revenue	932		877	
Expenses	(104)		(107)	
Interest payable and similar charges	-		-	
Net revenue before taxation	828		770	
Taxation	-		2	
Net revenue after taxation		828		772
<b>Total return before distributions</b>		<b>(405)</b>		<b>(3,604)</b>
Distributions		(828)		(772)
<b>Change in net assets attributable to shareholders</b>		<b>(1,233)</b>		<b>(4,376)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	<u>30 September 2023</u>	<u>30 September 2023</u>	<u>30 September 2022</u>	<u>30 September 2022</u>
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>38,624</b>		<b>39,810</b>
Amounts received on creation of shares	742		1,286	
Amounts paid on cancellation of shares	(1,903)		(2,098)	
		(1,161)		(812)
Change in net assets attributable to shareholders from investment activities (see above)		(1,233)		(4,376)
Retained distribution on accumulation shares		295		259
<b>Closing net assets attributable to shareholders</b>		<b>36,525</b>		<b>34,881</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	<u>30 September 2023</u>	<u>31 March 2023</u>
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	36,865	38,786
Current assets		
Debtors	205	347
Cash and bank balances	56	8
Total assets	37,126	39,141
<b>Liabilities</b>		
Creditors		
Distributions payable	(519)	(370)
Other creditors	(82)	(147)
Total liabilities	(601)	(517)
<b>Net assets attributable to shareholders</b>	<b>36,525</b>	<b>38,624</b>

# FTF Martin Currie UK Opportunities Fund

## DISTRIBUTION TABLES For the period 1 April 2023 to 30 September 2023

### For the period 1 April 2023 to 30 September 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased in the period 1 April 2023 to 30 September 2023

	Net Income	Equalisation	30 September 2023 Pence per Share	30 September 2022 Pence per Share
	p	p	p	p
<b>W Accumulation Shares</b>				
Group 1	4.9440	-	4.9440	4.3279
Group 2	2.8839	2.0601	4.9440	4.3279
<b>W Income Shares</b>				
Group 1	2.6364	-	2.6364	2.3959
Group 2	1.5116	1.1248	2.6364	2.3959

### Equalisation

All shareholders, within each share category, receive the same distribution per share, although the distribution to shareholders who purchased shares during the distribution period (Group 2 holdings) contains an element of equalisation which is a repayment, at an average rate per share, of the amount of accrued net income which was included in the purchase price of such shares. As the nature of this payment is capital it is not subject to income tax but must be deducted from the purchase price in any capital gains tax computation on the sale of the shares.

# FTF Martin Currie UK Rising Dividends Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value by more than the FTSE All-Share Index by generating a growing level of income, together with investment growth over a three to five-year period after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least two thirds (but typically significantly more) in the shares of companies listed on the London Stock Exchange that are incorporated/domiciled in the UK or which have significant business operations in the UK. The Fund usually invests in 30–50 companies that have grown their dividend in at least 8 of the past 10 years. Typically, most of these investments will be in the shares of large or medium sized companies (such as those making up the FTSE 350 Index).

The Investment Manager will select only those companies from the FTSE All-Share Index that its research suggests will help the Investment Manager to meet the Fund's objective. The Investment Manager does not intend to invest in every company in the FTSE All-Share Index and has the freedom to invest up to 10% of the Fund's assets outside of it.

Any proportion of the Fund can be invested into specific industry sectors, but the Investment Manager seeks to avoid any unintentional emphasis on a sector in a way that could increase the level of risk. The Investment Manager tries to further reduce risk by making sure no single company share dominates Fund investments. Normally, the Investment Manager tries to keep shareholdings in any individual large company to no more than 5% of the Fund's total value, while a shareholding in any individual medium-sized company would typically be between 2% and 2.5% and small-sized companies would typically be no more than 1.5%.

Very occasionally and to a much lesser extent, the Fund may also invest in debt securities or bonds (debt obligations that pay interest) issued by governments, government-related, supranational organisations or corporations or convertibles, a type of corporate bond that can be exchanged for shares in the same organisation.

The Fund may also invest a proportion of its portfolio in other types of transferable securities, cash and cash equivalents, money market instruments, and other collective investment schemes.

The Fund can use derivatives for efficient portfolio management (managing the fund in a way that is designed to reduce risk or cost and/or generate extra income or growth). However, the Fund can introduce more speculative use of derivatives in the future on 60 days' notice to investors. Derivatives are financial contracts whose value is linked to the price of another asset (e.g. indices, interest rates, share prices or currencies).

In selecting investments, the Investment Manager also assesses environmental, social and governance ("ESG") factors that could impact the ability of an issuer to generate future sustainable returns. These may include shareholder rights, accounting standards, remuneration, board structure, labour relations, supply chain, data protection, pollution/hazardous waste policies, water usage and climate change policies.

This ESG assessment is quantitative and qualitative, using the Investment Manager's proprietary ESG rating system, and its direct research and engagement process. The proprietary ESG assessment captures forward looking analysis. Investments are assigned a risk rating based on the Investment Manager's assessment of ESG factors. Investments are assigned a score of 1 to 5 in respect of each of governance and sustainability (meaning environmental and social factors), with 5 denoting high risk. Investments with a governance or sustainability risk rating of 4 or above will not be selected for the portfolio. The Investment Manager's assessment of a company's ESG characteristics may impact the Investment Manager's view of that company's financial valuation and attractiveness.

Where the Investment Manager identifies areas that do not meet expectations of best practice on material governance or sustainability issues, the Investment Manager will engage with companies to encourage improvement.

Where the Investment Manager identifies potential violations of UN Global Compact principles, the Investment Manager will establish a structured engagement process with companies to encourage improvement.

The Fund will not invest in companies which generate revenue from the production or distribution of controversial weapons (i.e. antipersonnel mines, biological and chemical weaponry and cluster munitions).

# FTF Martin Currie UK Rising Dividends Fund

## INVESTMENT REVIEW

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### PERFORMANCE

In the six months to 30 September 2023, the FTF Martin Currie UK Rising Dividends Fund (W Accumulation) recorded a net return of -1.57%, compared with the FTSE All-Share Index, which returned 1.42%.

### OVERVIEW

After a short-lived rotation back in favour of growth assets, growth sentiment waned in the third quarter as geopolitical factors once again returned to the fore. A sharp recovery in crude oil prices driven by Saudi Arabia and Russia's decision to limit exports supported the UK-listed oil majors – BP and Shell, which collectively account for 10% of the UK market, responded well. Furthermore, UK-quoted diversified energy and materials businesses also benefitted from sterling weakness vs the US dollar, a trend that generally supports blue-chip companies, where 70% of earnings are sourced internationally. Anglo American, Rio Tinto, and Glencore were all beneficiaries. Conversely, the main detractor from UK market returns were utility businesses as investors priced in rising rates – as 'bond proxies', they are considered less attractive in a higher interest rate environment, and utility companies also tend to operate higher levels of leverage, meaning that refinancing risk is increasingly considered. As pragmatic investors, we naturally keep a watchful eye on portfolio leverage, although we appreciate the capital intensity of the utility industry, and furthermore believe that select opportunities still exist in the sector, which exploit its inherent stable cash flow, defensive characteristics and clean energy themes.

During the period, the Office for National Statistics implemented a new calculation methodology and enhanced the quality of data used to calculate economic growth. The result of this was a significant uplift in the prior growth rate, so that between the end of 2019 and 2021 the economy had grown by 1.2%, as opposed to a 0.6% decline according to previous calculation.

While there had been clues that the economy was stronger than data was suggesting, given the robustness of tax receipts and strength of the labour market in the wake of the pandemic, this revision confirmed the United Kingdom ("UK") was no outlier in terms of growth. The Bank of England's ("BoE") decision to leave rates on hold in September left the bank rate at 5.25% after a period of consecutive hikes, which appeared reasonable given the lower-than-expected inflation data that was also released during the month. This showed prices increasing 6.7% year-on-year, far from recent highs.

In contrast to many developed markets, the selloff in long-dated UK Gilts moderated through the third quarter, which stabilised market interest rates, and consumers also saw mortgage rates fall alongside the energy price cap. Given this more positive news, domestic areas of the UK market recovered amid resilient consumer confidence and widespread consensus that base rates had peaked. Among UK small- and mid-cap companies, a number of consumer discretionary segments recovered well, including housebuilders Bellway and Taylor Wimpey, both beneficiaries of dovish policy. Furthermore, select consumer names including pub groups, retailers and travel companies were all supported by prospects of improved consumer budgets. Trade kitchen manufacturer and supplier Howden Group had a particularly strong period, earning promotion into the FTSE 100 at the end of September.

Conversely, telecommunications small- and mid-cap companies had a challenging period, broadly impacted by order book delays caused by the global growth slowdown, deferral of previously anticipated technology spend, and the deterioration of Chinese economic activity. However, this was somewhat offset by an uptick in M&A activity. Whilst activity remains below its long-term average, during the third quarter bids were announced for Ergomed and Gresham House, which supported sentiment and valuations amongst UK small- and mid-cap businesses.

### SIGNIFICANT CHANGES

The top five buys during the six-month period were: GSK, Unilever, British American, Shell and Diageo.

The top five sells during the six-month period were: Flutter Entertainment, Spectris, Dunelm, Videndum and Sage.

### POSITIVE/NEGATIVE CONTRIBUTORS

At the sector level, stock selection in and an underweight to banks detracted from relative returns, as did stock selection in investment banking and brokerage services and aerospace and defence. In contrast, stock selection in food producers boosted relative performance, as did stock selection in and an overweight to software and computer services.

At a stock level, financial advice business St James's Place was the largest detractor from the portfolio over the period. The shares fell 27.9% after a weak update, which saw client flows miss expectations and changes to the company's fee structure, prompted by new FCA rules regarding duty to clients in July. Luxury brand Burberry was also amongst the largest detractors from performance. The shares fell back 24.7% as investors reassessed the outlook for the sector, given an expected fall in global post-pandemic demand for luxury goods.

In contrast, accountancy software provider Sage was the top contributor during the period. The shares advanced 28.4%, continuing a strong run driven by an increased proportion of recurring revenues, which have helped to increase growth rates. Alternative asset manager Intermediate Capital also contributed, with the shares advancing 17.7% after a strong set of full-year results, which emphasised the resilience of the business model in a more difficult backdrop.

# FTF Martin Currie UK Rising Dividends Fund

## INVESTMENT REVIEW *(Continued)*

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### OUTLOOK

When discussing third-quarter optimism, we acknowledge the existence of a challenging and unknown path ahead. We must remember that interest rates are higher than they have been in decades, and as good as things may seem domestically, economic signals are frequently diverging overseas. This is particularly relevant to the swathes of the UK market that source earnings overseas. And things are not all rosy at home either – since the start of October, UK Gilts have been caught up in the government bond rout, with yields exceeding the highs of the ‘mini-budget’ pandemonium 12 months ago. Strong employment data from the UK and the United States has fuelled this selloff, adding to the push/pull dynamic between a resilient and confident consumer, and policymaker attempts to keep inflation under control. BoE Chief Economist Huw Pill’s Table Mountain analogy (with rates remaining in the region of 5% for longer) appears plausible.

Until now, the impact of government indebtedness on interest payments has been moderated by the decline in market interest rates. This looks set to change – UK Chancellor Jeremy Hunt recently warned that the government needs to locate an extra £23 billion to service its debt compared with March due to the recent selloff. To further contextualise, forecasters predict that this means the UK will allocate 3% of gross domestic product (“GDP”) solely to servicing its debt over the coming years, versus 1% two years ago.

It is always a challenge to predict with any certainty what this means for markets, but government austerity may challenge consumer sentiment. However, this must be considered on balance with recently observed consumer confidence growth, the degree of household deposits still saved, and robust employment figures still coming out of the UK. We believe that these points alone provide enough support for consumer-focused areas of the markets to weather some of the macro headwinds encountered. And although Jeremy Hunt has already ruled out any tax cuts in November’s budget, the government will have to keep one eye on the general election just around the corner.

There are some supportive statistics for our base case environment where rates are higher for longer – corporate debt and deposits as a proportion of GDP remain historically attractive, and as quality-focused managers this only broadens the pool that we are able to search in. By constructing our portfolios in a core, style-agnostic manner we mitigate extreme style risk – high-growth portfolios could potentially encounter challenges in an extended period of elevated interest rates. Furthermore, the FTSE 250 group of companies is no longer considered just the UK’s growth engine. Although the mid-cap index has delivered superior growth versus the FTSE 100 over the long run, its dividend yield is now approaching parity with the blue-chip index, which is recognised for its income generation, providing ample opportunity for both income and growth to thrive. With dividends such an important component of UK total return, we remain of the view that companies with quality financials are set to outperform, given the propensity to weather challenging market environments whilst continuing to return capital to shareholders.

Critically, we believe that we are entering a new post-Covid regime. Inflation and rates are higher than in recent years, both of which could moderate the significance of market returns as central banks pivot to fight fires rather than bolster the economy. Thus, we believe that stock selection is increasingly important to an overall return profile, and that the opportunities for skilled, high-conviction managers to add active returns will significantly outweigh the opportunity for market returns.

**Ben Russon, CFA, Will Bradwell & Joanne Rands**

Fund Managers

30 September 2023

# FTF Martin Currie UK Rising Dividends Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>W – Accumulation shares</u>	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	260.36	245.60	222.41	177.92
Return before operating charges <sup>1</sup>	(4.42)	16.08	24.46	45.56
Operating charges <sup>2</sup>	(0.68)	(1.32)	(1.27)	(1.07)
Return after operating charges <sup>3</sup>	(5.10)	14.76	23.19	44.49
Distributions	(6.07)	(8.55)	(8.10)	(5.65)
Retained distributions on accumulation shares	6.07	8.55	8.10	5.65
Closing net asset value per share	255.26	260.36	245.60	222.41
After direct transaction costs of <sup>4</sup>	(0.52)	(0.44)	(0.26)	(0.39)
<b>Performance</b>				
Return after charges <sup>5</sup>	(1.96)%	6.01%	10.43%	25.01%
<b>Other information</b>				
Closing net asset value (£)	161,725,245	122,207,372	110,541,244	105,027,260
Closing number of shares	63,356,713	46,938,364	45,008,733	47,221,627
Operating charges ratio <sup>6</sup>	0.52%	0.53%	0.53%	0.54%
Direct transaction costs <sup>4</sup>	0.20%	0.18%	0.11%	0.21%
<b>Prices (p)</b>				
Highest share price	270.46	268.26	252.57	222.33
Lowest share price	247.87	226.03	219.90	169.68
<b>W – Income shares</b>				
	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	128.48	125.57	117.59	96.70
Return before operating charges <sup>1</sup>	(2.17)	7.88	12.87	24.53
Operating charges <sup>2</sup>	(0.33)	(0.66)	(0.66)	(0.60)
Return after operating charges <sup>3</sup>	(2.50)	7.22	12.21	23.93
Distributions	(2.98)	(4.31)	(4.23)	(3.04)
Closing net asset value per share	123.00	128.48	125.57	117.59
After direct transaction costs of <sup>4</sup>	(0.25)	(0.22)	(0.14)	(0.21)
<b>Performance</b>				
Return after charges <sup>5</sup>	(1.95)%	5.75%	10.38%	24.75%
<b>Other information</b>				
Closing net asset value (£)	51,863,316	35,367,520	34,667,970	29,216,960
Closing number of shares	42,166,377	27,528,302	27,609,387	24,846,026
Operating charges ratio <sup>6</sup>	0.52%	0.53%	0.53%	0.54%
Direct transaction costs <sup>4</sup>	0.20%	0.18%	0.11%	0.21%
<b>Prices (p)</b>				
Highest share price	133.46	133.45	130.68	118.30
Lowest share price	120.79	113.29	113.47	92.22

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

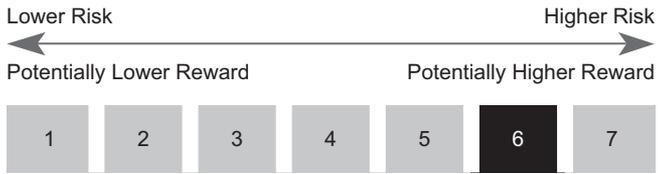
5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

# FTF Martin Currie UK Rising Dividends Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Martin Currie UK Rising Dividends Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 97.49% (97.39%)</b>		
	<b>ADVERTISING 2.04% (1.93%)</b>		
595,000	WPP .....	4,361	2.04
	<b>AEROSPACE &amp; DEFENCE 2.01% (2.21%)</b>		
430,000	BAE Systems .....	4,290	2.01
	<b>AGRICULTURE 6.16% (5.33%)</b>		
327,000	British American Tobacco .....	8,425	3.94
285,000	Imperial Brands .....	4,751	2.22
		<u>13,176</u>	<u>6.16</u>
	<b>APPAREL 1.66% (2.18%)</b>		
186,000	Burberry .....	3,550	1.66
	<b>BEVERAGES 5.58% (5.65%)</b>		
445,000	Britvic .....	3,880	1.82
265,000	Diageo .....	8,040	3.76
		<u>11,920</u>	<u>5.58</u>
	<b>CHEMICALS 1.60% (1.50%)</b>		
243,000	Victrex .....	3,414	1.60
	<b>COMMERCIAL SERVICES 11.38% (9.93%)</b>		
242,000	Experian .....	6,512	3.05
123,000	Intertek .....	5,057	2.37
1,160,000	QinetiQ .....	3,698	1.73
326,000	RELX .....	9,046	4.23
		<u>24,313</u>	<u>11.38</u>
	<b>COSMETICS &amp; PERSONAL CARE 5.02% (4.47%)</b>		
264,000	Unilever .....	10,722	5.02
	<b>DISTRIBUTION &amp; WHOLESALE 1.70% (1.78%)</b>		
124,000	Bunzl .....	3,627	1.70
	<b>DIVERSIFIED FINANCIAL SERVICES 7.98% (8.12%)</b>		
440,000	Close Brothers .....	3,898	1.82
554,000	IG .....	3,562	1.67
142,000	Rathbones .....	2,468	1.16
888,000	Schroders .....	3,616	1.69
420,000	St James's Place .....	3,495	1.64
		<u>17,039</u>	<u>7.98</u>
	<b>ELECTRICITY 4.56% (4.38%)</b>		
655,000	National Grid .....	6,419	3.00
207,000	SSE .....	3,332	1.56
		<u>9,751</u>	<u>4.56</u>
	<b>ELECTRONICS 0.00% (1.86%)</b>		
	<b>ENTERTAINMENT 0.00% (2.23%)</b>		
	<b>FOOD PRODUCERS 2.01% (3.46%)</b>		
121,000	Cranswick .....	4,298	2.01
	<b>HEALTHCARE PRODUCTS 2.01% (1.57%)</b>		
420,000	Smith & Nephew .....	4,295	2.01
	<b>HOME BUILDERS 1.86% (1.72%)</b>		
174,000	Bellway .....	3,971	1.86
	<b>HOUSEHOLD PRODUCTS 3.61% (3.28%)</b>		
133,000	Reckitt Benckiser .....	7,703	3.61
	<b>INSURANCE 5.98% (5.84%)</b>		
694,000	Beazley .....	3,838	1.80

# FTF Martin Currie UK Rising Dividends Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>INSURANCE (Continued)</b>		
2,305,000	Legal & General .....	5,129	2.40
790,000	Phoenix .....	3,809	1.78
		<u>12,776</u>	<u>5.98</u>
	<b>MACHINERY DIVERSIFIED 1.69% (1.85%)</b>		
230,000	IMI .....	3,606	1.69
	<b>MEDIA 1.28% (1.35%)</b>		
683,000	Bloomsbury Publishing.....	2,735	1.28
	<b>METAL &amp; HARDWARE 1.59% (1.74%)</b>		
520,000	Bodycote .....	3,393	1.59
	<b>MISCELLANEOUS MANUFACTURING 1.34% (2.72%)</b>		
95,000	Diploma .....	2,854	1.34
	<b>OIL &amp; GAS PRODUCERS 7.72% (6.58%)</b>		
99,000	DCC .....	4,563	2.13
458,000	Shell .....	11,935	5.59
		<u>16,498</u>	<u>7.72</u>
	<b>PHARMACEUTICALS 6.30% (5.19%)</b>		
45,000	AstraZeneca .....	4,995	2.34
567,000	GSK .....	8,459	3.96
		<u>13,454</u>	<u>6.30</u>
	<b>PRIVATE EQUITY 1.76% (1.66%)</b>		
272,000	Intermediate Capital .....	3,762	1.76
	<b>REAL ESTATE INVESTMENT TRUSTS 3.69% (3.15%)</b>		
185,000	Derwent London .....	3,565	1.67
480,000	UNITE.....	4,308	2.02
		<u>7,873</u>	<u>3.69</u>
	<b>RETAIL 3.66% (2.70%)</b>		
194,000	Associated British Foods .....	4,012	1.88
52,000	Next.....	3,793	1.78
		<u>7,805</u>	<u>3.66</u>
	<b>SOFTWARE 2.33% (2.02%)</b>		
503,000	Sage.....	4,975	2.33
	<b>TELECOMMUNICATIONS 0.97% (0.99%)</b>		
1,500,000	Spirent Communications .....	2,070	0.97
	<b>TOTAL - EQUITIES</b>	<u>208,231</u>	<u>97.49</u>
	<b>CERTIFICATE OF DEPOSITS 2.44% (2.79%)</b>		
5,200,000	Royal Bank Of Canada, 5.180%, 02/10/2023 .....	5,200	2.44
	<b>TOTAL VALUE OF INVESTMENTS</b>	<u>213,431</u>	<u>99.93</u>
	<b>OTHER ASSETS</b>	<u>158</u>	<u>0.07</u>
	<b>TOTAL NET ASSETS</b>	<u>213,589</u>	<u>100.00</u>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

# FTF Martin Currie UK Rising Dividends Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(8,830)		(12,254)
Revenue	4,510		2,487	
Expenses	(498)		(352)	
Interest payable and similar charges	-		-	
Net revenue before taxation	4,012		2,135	
Taxation	-		21	
Net revenue after taxation		4,012		2,156
<b>Total return before distributions</b>		<b>(4,818)</b>		<b>(10,098)</b>
Distributions		(4,440)		(2,458)
<b>Change in net assets attributable to shareholders</b>		<b>(9,258)</b>		<b>(12,556)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>157,575</b>		<b>145,209</b>
Amounts received on creation of shares	67,052		34,413	
Amounts paid on cancellation of shares	(5,644)		(38,112)	
		61,408		(3,699)
Dilution adjustment		161		100
Change in net assets attributable to shareholders from investment activities (see above)		(9,258)		(12,556)
Retained distribution on accumulation shares		3,703		1,981
<b>Closing net assets attributable to shareholders</b>		<b>213,589</b>		<b>131,035</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	213,431	157,865
Current assets		
Debtors	1,099	1,915
Cash and bank balances	19	20
Total assets	214,549	159,800
<b>Liabilities</b>		
Creditors		
Distributions payable	(588)	(287)
Other creditors	(372)	(1,938)
Total liabilities	(960)	(2,225)
<b>Net assets attributable to shareholders</b>	<b>213,589</b>	<b>157,575</b>

# FTF Martin Currie UK Rising Dividends Fund

## DISTRIBUTION TABLES For the period 1 April 2023 to 30 September 2023

### For the period 1 April 2023 to 30 June 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased in the period 1 April 2023 to 30 June 2023

	Net Income	Equalisation	30 June 2023 Pence per Share	30 June 2022 Pence per Share
	p	p	p	p
<b>W Accumulation Shares</b>				
Group 1	3.2093	-	3.2093	2.3183
Group 2	1.1030	2.1063	3.2093	2.3183
<b>W Income Shares</b>				
Group 1	1.5836	-	1.5836	1.1838
Group 2	0.8007	0.7829	1.5836	1.1838

### For the period 1 July 2023 to 30 September 2023

Group 1 Shares purchased prior to 1 July 2023

Group 2 Shares purchased in the period 1 July 2023 to 30 September 2023

	Net Income	Equalisation	30 September 2023 Pence per Share	30 September 2022 Pence per Share
	p	p	p	p
<b>W Accumulation Shares</b>				
Group 1	2.8656	-	2.8656	2.2645
Group 2	1.9531	0.9125	2.8656	2.2645
<b>W Income Shares</b>				
Group 1	1.3947	-	1.3947	1.1464
Group 2	1.1629	0.2318	1.3947	1.1464

### Equalisation

All shareholders, within each share category, receive the same distribution per share, although the distribution to shareholders who purchased shares during the distribution period (Group 2 holdings) contains an element of equalisation which is a repayment, at an average rate per share, of the amount of accrued net income which was included in the purchase price of such shares. As the nature of this payment is capital it is not subject to income tax but must be deducted from the purchase price in any capital gains tax computation on the sale of the shares.

# FTF Martin Currie UK Smaller Companies Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value by more than the Numis Smaller Companies ex-Investment Trusts Index over a three to five-year period after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least two thirds (but typically significantly more) in shares of smaller companies which are constituents of the Numis Smaller Companies ex-Investment Trusts Index or are listed on the Alternative Investment Market (AIM) exchange and that are incorporated/domiciled in the UK or which have significant business operations in the UK.

The Investment Manager does not intend to invest in every company in the Numis Smaller Companies ex-Investment Trusts Index or AIM but using its expertise and research, select around 40–50 companies it believes will achieve the Fund's objective.

The Investment Manager tries to further reduce risk by making sure no single company share dominates the Fund's investments. Normally, the Investment Manager tries to keep shareholdings in any individual company between 1% and 5% of the Fund's total value.

Any proportion of the Fund can be invested into specific industry sectors, but the Investment Manager seeks to avoid any unintentional emphasis on a sector in a way that could increase the level of risk.

The Fund may also invest a proportion of its portfolio in other types of transferable securities, cash and cash equivalents, money market instruments, and other collective investment schemes.

The Fund can use derivatives for efficient portfolio management (managing the fund in a way that is designed to reduce risk or cost and/or generate extra income or growth). However, the Fund can introduce more speculative use of derivatives in the future on 60 days' notice to investors. Derivatives are financial contracts whose value is linked to the price of another asset (e.g. indices, interest rates, share prices or currencies).

In selecting investments, the Investment Manager also assesses environmental, social and governance ("ESG") factors that could impact the ability of an issuer to generate future sustainable returns. These may include shareholder rights, accounting standards, remuneration, board structure, labour relations, supply chain, data protection, pollution/hazardous waste policies, water usage and climate change policies.

This ESG assessment is quantitative and qualitative, using the Investment Manager's proprietary ESG rating system, and its direct research and engagement process. The proprietary ESG assessment captures forward looking analysis. Investments are assigned a risk rating based on the Investment Manager's assessment of ESG factors. Investments are assigned a score of 1 to 5 in respect of each of governance and sustainability (meaning environmental and social factors), with 5 denoting high risk. Investments with a governance or sustainability risk rating of 4 or above will not be selected for the portfolio. The Investment Manager's assessment of a company's ESG characteristics may impact the Investment Manager's view of that company's financial valuation and attractiveness.

Where the Investment Manager identifies areas that do not meet expectations of best practice on material governance or sustainability issues, the Investment Manager will engage with companies to encourage improvement.

The Fund will not invest in:

- Companies which generate revenue from the production or distribution of controversial weapons (i.e. antipersonnel mines, biological and chemical weaponry and cluster munitions).
- Companies assessed as 'fail' under the UN Global Compact.

# FTF Martin Currie UK Smaller Companies Fund

## INVESTMENT REVIEW

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### PERFORMANCE

In the six months to 30 September 2023, the FTF Martin Currie UK Smaller Companies Fund (W Accumulation) recorded a net return of -5.63%, compared with the Numis Smaller Companies Index (ex Investment Trusts), which returned 0.42%.

### OVERVIEW

After a short-lived rotation back in favour of growth assets, growth sentiment waned in the third quarter as geopolitical factors once again returned to the fore. A sharp recovery in crude oil prices driven by Saudi Arabia and Russia's decision to limit exports supported the UK-listed oil majors – BP and Shell, which collectively account for 10% of the UK market, responded well. Furthermore, UK-quoted diversified energy and materials businesses also benefitted from sterling weakness vs the US dollar, a trend that generally supports blue-chip companies, where 70% of earnings are sourced internationally. Anglo American, Rio Tinto, and Glencore were all beneficiaries. Conversely, the main detractor from UK market returns were utility businesses as investors priced in rising rates – as 'bond proxies', they are considered less attractive in a higher interest rate environment, and utility companies also tend to operate higher levels of leverage, meaning that refinancing risk is increasingly considered. As pragmatic investors, we naturally keep a watchful eye on portfolio leverage, although we appreciate the capital intensity of the utility industry, and furthermore believe that select opportunities still exist in the sector, which exploit its inherent stable cash flow, defensive characteristics and clean energy themes.

During the period, the Office for National Statistics implemented a new calculation methodology and enhanced the quality of data used to calculate economic growth. The result of this was a significant uplift in the prior growth rate, so that between the end of 2019 and 2021 the economy had grown by 1.2%, as opposed to a 0.6% decline according to previous calculation.

While there had been clues that the economy was stronger than data was suggesting, given the robustness of tax receipts and strength of the labour market in the wake of the pandemic, this revision confirmed the United Kingdom ("UK") was no outlier in terms of growth. The Bank of England's ("BoE's") decision to leave rates on hold in September left the bank rate at 5.25% after a period of consecutive hikes, which appeared reasonable given the lower-than-expected inflation data that was also released during the month. This showed prices increasing 6.7% year-on-year, far from recent highs.

In contrast to many developed markets, the selloff in long-dated UK Gilts moderated through the third quarter, which stabilised market interest rates, and consumers also saw mortgage rates fall alongside the energy price cap. Given this more positive news, domestic areas of the UK market recovered amid resilient consumer confidence and widespread consensus that base rates had peaked. Among UK small- and mid-cap companies, a number of consumer discretionary segments recovered well, including housebuilders Bellway and Taylor Wimpey, both beneficiaries of dovish policy. Furthermore, select consumer names including pub groups, retailers and travel companies were all supported by prospects of improved consumer budgets. Trade kitchen manufacturer and supplier Howden Group had a particularly strong period, earning promotion into the FTSE 100 at the end of September.

Conversely, telecommunications small- and mid-cap companies had a challenging period, broadly impacted by order book delays caused by the global growth slowdown, deferral of previously anticipated technology spend, and the deterioration of Chinese economic activity. However, this was somewhat offset by an uptick in M&A activity. Whilst activity remains below its long-term average, during the third quarter bids were announced for Ergomed and Gresham House, which supported sentiment and valuations amongst UK small- and mid-cap businesses.

### SIGNIFICANT CHANGES

The top five buys during the six-month period were: Urban Logistics REIT, Loungers, Mears, GB Group and Chemring.

The top five sells during the six-month period were: Gresham, Foresight, Big Technologies, Bytes Technology and NCC Group.

### POSITIVE/NEGATIVE CONTRIBUTORS

At the sector level, stock selection in leisure goods and industrial engineering detracted from relative returns, as did as stock selection in and an underweight to travel and leisure. Conversely, stock selection in investment banking and brokerage services and pharmaceuticals and biotechnology, as well as an overweight position in closed end investments, contributed to relative returns.

At a stock level, video game developer and publisher tinyBuild was the largest detractor during the period, as the shares fell 86.1% after the company materially downgraded expectations in a trading statement. The poor performance was driven by fewer subscription platform deals and the underperformance of acquired businesses Red Cerberus and Versus Evil. We have now sold our holding.

# FTF Martin Currie UK Smaller Companies Fund

## INVESTMENT REVIEW *(Continued)*

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Videndum also detracted from performance, with the shares down 61.3%. The company published its delayed interim results in September, with market conditions being more challenging than anticipated a few months previously. In addition, the writer and actor strikes in the United States have lasted longer than expected, impacting on the forecast earnings for the second half of the year. The downturn in earnings means that the banking covenants on its debt need to be relaxed for the next 12 months to prevent a breach, and the company is exploring options to strengthen the balance sheet, which may include an equity raise. Over the past year, we sold 55% of our holding prior to these results on concerns about the balance sheet, but we had not forecast that the US strikes would set new records for an industry shutdown.

Conversely, Gresham House was among the largest contributors to performance, as the shares advanced 40.8%. The alternative asset manager received a bid approach from private equity for 1105p per share, a 63% premium to the last close price and the shares advanced 55.6% in July. We bought our initial position in March 2020 in a placing at 510p when assets under management were £2.8 billion and they have grown to £8.3bn during our ownership. In our view, this is another example of a UK-listed business not being given an appropriate valuation in the public market and being taken private before it has fulfilled its potential.

Bytes Technology was another leading contributor to portfolio returns during the period. The shares advanced 31.3% after the company announced its full-year results, prompting analysts to upgrade future profit forecasts.

## OUTLOOK

When discussing third-quarter optimism, we acknowledge the existence of a challenging and unknown path ahead. We must remember that interest rates are higher than they have been in decades, and as good as things may seem domestically, economic signals are frequently diverging overseas. This is particularly relevant to the swathes of the UK market that source earnings overseas. And things are not all rosy at home either – since the start of October, UK Gilts have been caught up in the government bond rout, with yields exceeding the highs of the ‘mini-budget’ pandemonium 12 months ago. Strong employment data from the UK and the United States has fuelled this selloff, adding to the push/pull dynamic between a resilient and confident consumer, and policymaker attempts to keep inflation under control. BoE Chief Economist Huw Pill’s Table Mountain analogy (with rates remaining in the region of 5% for longer) appears plausible.

Until now, the impact of government indebtedness on interest payments has been moderated by the decline in market interest rates. This looks set to change – UK Chancellor Jeremy Hunt recently warned that the government needs to locate an extra £23 billion to service its debt compared with March due to the recent selloff. To further contextualise, forecasters predict that this means the UK will allocate 3% of gross domestic product (“GDP”) solely to servicing its debt over the coming years, versus 1% two years ago.

It is always a challenge to predict with any certainty what this means for markets, but government austerity may challenge consumer sentiment. However, this must be considered on balance with recently observed consumer confidence growth, the degree of household deposits still saved, and robust employment figures still coming out of the UK. We believe that these points alone provide enough support for consumer-focused areas of the markets to weather some of the macro headwinds encountered. And although Jeremy Hunt has already ruled out any tax cuts in November’s budget, the government will have to keep one eye on the general election just around the corner.

There are some supportive statistics for our base case environment where rates are higher for longer – corporate debt and deposits as a proportion of GDP remain historically attractive, and as quality-focused managers this only broadens the pool that we are able to search in. By constructing our portfolios in a core, style-agnostic manner we mitigate extreme style risk – high-growth portfolios could potentially encounter challenges in an extended period of elevated interest rates. Furthermore, the FTSE 250 group of companies is no longer considered just the UK’s growth engine. Although the mid-cap index has delivered superior growth versus the FTSE 100 over the long run, its dividend yield is now approaching parity with the blue-chip index, which is recognised for its income generation, providing ample opportunity for both income and growth to thrive. With dividends such an important component of UK total return, we remain of the view that companies with quality financials are set to outperform, given the propensity to weather challenging market environments whilst continuing to return capital to shareholders.

Critically, we believe that we are entering a new post-Covid regime. Inflation and rates are higher than in recent years, both of which could moderate the significance of market returns as central banks pivot to fight fires rather than bolster the economy. Thus, we believe that stock selection is increasingly important to an overall return profile, and that the opportunities for skilled, high-conviction managers to add active returns will significantly outweigh the opportunity for market returns.

**Richard Bullas, Dan Green, CFA, Marcus Tregoning & Mark Hall**  
Fund Managers  
30 September 2023

# FTF Martin Currie UK Smaller Companies Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>S – Accumulation shares*</u>	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>
<b>Change in net assets per share (p)</b>			
Opening net asset value per share	719.72	944.58	1,000.00
Return before operating charges <sup>1</sup>	(38.82)	(218.95)	(48.71)
Operating charges <sup>2</sup>	(2.57)	(5.91)	(6.71)
Return after operating charges <sup>3</sup>	(41.39)	(224.86)	(55.42)
Distributions	(9.65)	(11.27)	(8.64)
Retained distributions on accumulation shares	9.65	11.27	8.64
Closing net asset value per share	678.33	719.72	944.58
After direct transaction costs of <sup>4</sup>	(0.50)	(0.46)	(0.82)
<b>Performance</b>			
Return after charges <sup>5</sup>	(5.75)%	(23.81)%	(5.54)%
<b>Other information</b>			
Closing net asset value (£)	20,833,413	23,685,760	34,205,877
Closing number of shares	3,071,271	3,290,982	3,621,289
Operating charges ratio <sup>6</sup>	0.72%	0.72%	0.65%
Direct transaction costs <sup>4</sup>	0.07%	0.06%	0.08%
<b>Prices (p)</b>			
Highest share price	744.70	963.90	1,164.90
Lowest share price	674.73	715.13	851.37
<b>S – Income shares*</b>			
	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>
<b>Change in net assets per share (p)</b>			
Opening net asset value per share	702.71	936.51	1,000.00
Return before operating charges <sup>1</sup>	(37.89)	(216.82)	(48.19)
Operating charges <sup>2</sup>	(2.51)	(5.84)	(6.71)
Return after operating charges <sup>3</sup>	(40.40)	(222.66)	(54.90)
Distributions	(9.41)	(11.14)	(8.59)
Closing net asset value per share	652.90	702.71	936.51
After direct transaction costs of <sup>4</sup>	(0.49)	(0.45)	(0.82)
<b>Performance</b>			
Return after charges <sup>5</sup>	(5.75)%	(23.78)%	(5.49)%
<b>Other information</b>			
Closing net asset value (£)	34,975,415	38,255,223	9,363,705
Closing number of shares	5,356,912	5,443,992	999,848
Operating charges ratio <sup>6</sup>	0.72%	0.72%	0.66%
Direct transaction costs <sup>4</sup>	0.07%	0.06%	0.08%
<b>Prices (p)</b>			
Highest share price	727.12	955.72	1,164.85
Lowest share price <sup>7</sup>	658.80	703.05	848.16

# FTF Martin Currie UK Smaller Companies Fund

## COMPARATIVE TABLES (Continued)

<u>W – Accumulation shares</u>	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	263.54	346.23	340.75	216.57
Return before operating charges <sup>1</sup>	(14.21)	(80.22)	8.64	126.47
Operating charges <sup>2</sup>	(1.07)	(2.47)	(3.16)	(2.29)
Return after operating charges <sup>3</sup>	(15.28)	(82.69)	5.48	124.18
Distributions	(3.40)	(3.83)	(2.85)	(0.76)
Retained distributions on accumulation shares	3.40	3.83	2.85	0.76
Closing net asset value per share	248.26	263.54	346.23	340.75
After direct transaction costs of <sup>4</sup>	(0.18)	(0.17)	(0.31)	(0.25)
<b>Performance</b>				
Return after charges <sup>5</sup>	(5.80)%	(23.88)%	1.61%	57.34%
<b>Other information</b>				
Closing net asset value (£)	72,485,523	83,641,284	145,958,699	171,897,835
Closing number of shares	29,196,991	31,737,365	42,156,359	50,446,996
Operating charges ratio <sup>6</sup>	0.82%	0.82%	0.82%	0.82%
Direct transaction costs <sup>4</sup>	0.07%	0.06%	0.08%	0.09%
<b>Prices (p)</b>				
Highest share price	272.65	353.31	427.23	343.99
Lowest share price	246.97	261.87	312.09	212.92
<b>W – Income shares</b>				
	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	122.65	163.44	162.09	103.25
Return before operating charges <sup>1</sup>	(6.61)	(37.83)	4.20	60.30
Operating charges <sup>2</sup>	(0.50)	(1.16)	(1.50)	(1.10)
Return after operating charges <sup>3</sup>	(7.11)	(38.99)	2.70	59.20
Distributions	(1.58)	(1.80)	(1.35)	(0.36)
Closing net asset value per share	113.96	122.65	163.44	162.09
After direct transaction costs of <sup>4</sup>	(0.08)	(0.08)	(0.15)	(0.12)
<b>Performance</b>				
Return after charges <sup>5</sup>	(5.80)%	(23.86)%	1.67%	57.34%
<b>Other information</b>				
Closing net asset value (£)	21,017,384	23,708,321	86,377,337	121,275,444
Closing number of shares	18,442,848	19,330,248	52,850,651	74,819,786
Operating charges ratio <sup>6</sup>	0.82%	0.82%	0.83%	0.82%
Direct transaction costs <sup>4</sup>	0.07%	0.06%	0.08%	0.09%
<b>Prices (p)</b>				
Highest share price	126.89	166.78	203.23	163.99
Lowest share price <sup>7</sup>	114.94	122.64	147.94	101.51

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

# FTF Martin Currie UK Smaller Companies Fund

## COMPARATIVE TABLES *(Continued)*

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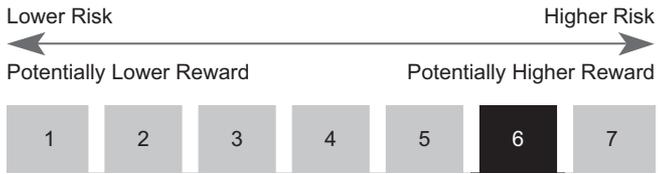
7 The “closing net asset value per share” figure is based on the bid-market prices at close of business, whilst the highest/lowest share prices are based on mid dealing prices (the price at which shares are sold).

\* This share class launched on 30 April 2021.

# FTF Martin Currie UK Smaller Companies Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Martin Currie UK Smaller Companies Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 97.88% (97.22%)</b>		
	<b>AEROSPACE &amp; DEFENCE 0.00% (1.97%)</b>		
	<b>AIRLINES 3.99% (3.88%)</b>		
550,000	JET2# .....	5,956	3.99
	<b>BEVERAGES 2.62% (2.52%)</b>		
536,667	Young & Co.'s Brewery# .....	3,918	2.62
	<b>COMMERCIAL SERVICES 17.04% (11.48%)</b>		
1,850,000	Fintel# .....	3,460	2.32
440,000	Keystone Law# .....	2,156	1.44
1,100,000	Mears .....	3,036	2.03
2,060,000	Restore# .....	4,738	3.17
770,000	Robert Walters .....	3,188	2.14
2,000,000	RWS# .....	4,792	3.21
12,750,000	Speedy Hire .....	4,074	2.73
		<u>25,444</u>	<u>17.04</u>
	<b>COMPUTERS 7.45% (7.58%)</b>		
610,000	Bytes Technology .....	3,043	2.04
720,000	GB .....	1,551	1.04
3,190,000	Kin & Carta .....	2,619	1.75
969,750	Midwich# .....	3,918	2.62
		<u>11,131</u>	<u>7.45</u>
	<b>COSMETICS &amp; PERSONAL CARE 1.61% (1.86%)</b>		
1,700,000	PZ Cussons .....	2,407	1.61
	<b>DIVERSIFIED FINANCIAL SERVICES 16.98% (19.42%)</b>		
380,000	Alpha International# .....	7,144	4.79
921,700	Foresight .....	3,963	2.65
702,143	JTC .....	5,126	3.43
1,200,000	Polar Capital# .....	5,580	3.74
670,210	Premier Miton# .....	402	0.27
640,000	Tatton Asset Management# .....	3,136	2.10
		<u>25,351</u>	<u>16.98</u>
	<b>ELECTRONICS 3.17% (3.87%)</b>		
700,000	DiscoverIE .....	4,739	3.17
	<b>FOOD PRODUCERS 1.83% (2.51%)</b>		
2,150,000	Hotel Chocolat# .....	2,731	1.83
	<b>HOME BUILDERS 2.94% (2.55%)</b>		
1,050,000	MJ Gleeson .....	4,389	2.94
	<b>INTERNET 4.49% (3.84%)</b>		
650,000	Auction Technology .....	4,244	2.84
6,315,000	Ebiquity .....	2,463	1.65
		<u>6,707</u>	<u>4.49</u>
	<b>INVESTMENT COMPANIES 3.33% (4.62%)</b>		
465,000	Gresham House .....	4,975	3.33
	<b>MEDIA 2.86% (1.44%)</b>		
400,000	Bloomsbury Publishing .....	1,602	1.07
3,327,602	LBG Media# .....	2,669	1.79
		<u>4,271</u>	<u>2.86</u>
	<b>METAL &amp; HARDWARE 3.32% (2.03%)</b>		
760,000	Bodycote .....	4,959	3.32
	<b>MISCELLANEOUS MANUFACTURING 7.78% (7.66%)</b>		
350,000	Avon Protection .....	2,163	1.45
1,850,000	Chemring .....	5,134	3.44

## FTF Martin Currie UK Smaller Companies Fund

### PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>MISCELLANEOUS MANUFACTURING (Continued)</b>		
320,000	Videndum .....	1,054	0.71
900,000	Volution .....	3,256	2.18
		<u>11,607</u>	<u>7.78</u>
	<b>PHARMACEUTICALS 1.53% (1.45%)</b>		
170,000	Ergomed <sup>#</sup> .....	2,281	1.53
	<b>REAL ESTATE INVESTMENT &amp; SERVICES 0.00% (1.68%)</b>		
	<b>REAL ESTATE INVESTMENT TRUSTS 3.24% (1.66%)</b>		
4,400,000	Urban Logistics REIT .....	4,831	3.24
	<b>RETAIL 3.61% (1.85%)</b>		
2,500,000	DFS Furniture .....	2,710	1.82
1,420,000	Loungers <sup>#</sup> .....	2,670	1.79
1,077,428	Patisserie <sup>1</sup> .....	-	0.00
		<u>5,380</u>	<u>3.61</u>
	<b>SOFTWARE 7.78% (12.26%)</b>		
1,177,527	Big Technologies <sup>#</sup> .....	2,414	1.62
9,500,000	Devolver Digital <sup>#</sup> .....	2,280	1.53
4,011,111	dotdigital group <sup>#</sup> .....	3,064	2.05
480,555	Tracsis <sup>#</sup> .....	3,844	2.58
		<u>11,602</u>	<u>7.78</u>
	<b>TELECOMMUNICATIONS 2.31% (1.09%)</b>		
1,600,000	Calnex Solutions <sup>#</sup> .....	1,872	1.25
1,150,000	Spirent Communications .....	1,587	1.06
		<u>3,459</u>	<u>2.31</u>
	TOTAL - EQUITIES	<u>146,138</u>	<u>97.88</u>
	<b>CERTIFICATE OF DEPOSITS 2.14% (2.95%)</b>		
3,200,000	Royal Bank Of Canada, 5.180%, 02/10/2023 .....	3,200	2.14
	<b>TOTAL VALUE OF INVESTMENTS</b>	<b><u>149,338</u></b>	<b><u>100.02</u></b>
	<b>OTHER LIABILITIES</b>	<b><u>(26)</u></b>	<b><u>(0.02)</u></b>
	<b>TOTAL NET ASSETS</b>	<b><u>149,312</u></b>	<b><u>100.00</u></b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

<sup>1</sup> These securities are fair valued by the manager.

<sup>#</sup> Traded on an alternative investment market.

# FTF Martin Currie UK Smaller Companies Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(11,412)		(57,944)
Revenue	2,785		2,685	
Expenses	(640)		(966)	
Interest payable and similar charges	-		-	
Net revenue before taxation	2,145		1,719	
Taxation	-		-	
Net revenue after taxation		2,145		1,719
<b>Total return before distributions</b>		<b>(9,267)</b>		<b>(56,225)</b>
Distributions		(2,145)		(1,720)
<b>Change in net assets attributable to shareholders</b>		<b>(11,412)</b>		<b>(57,945)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>169,291</b>		<b>275,906</b>
Amounts received on creation of shares	3,481		5,684	
Amounts paid on cancellation of shares	(13,338)		(26,973)	
		(9,857)		(21,289)
Dilution adjustment		1		100
Change in net assets attributable to shareholders from investment activities (see above)		(11,412)		(57,945)
Retained distribution on accumulation shares		1,289		1,076
<b>Closing net assets attributable to shareholders</b>		<b>149,312</b>		<b>197,848</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	149,338	169,574
Current assets		
Debtors	1,118	779
Cash and bank balances	98	71
Total assets	150,554	170,424
<b>Liabilities</b>		
Creditors		
Distributions payable	(796)	(414)
Other creditors	(446)	(719)
Total liabilities	(1,242)	(1,133)
<b>Net assets attributable to shareholders</b>	<b>149,312</b>	<b>169,291</b>

# FTF Martin Currie UK Smaller Companies Fund

## DISTRIBUTION TABLES For the period 1 April 2023 to 30 September 2023

For the period 1 April 2023 to 30 September 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased in the period 1 April 2023 to 30 September 2023

	Net Income	Equalisation	30 September 2023 Pence per Share	30 September 2022 Pence per Share
	p	p	p	p
<b>S Accumulation Shares</b>				
Group 1	9.6467	-	9.6467	6.3513
Group 2	5.6033	4.0434	9.6467	6.3513
<b>S Income Shares</b>				
Group 1	9.4118	-	9.4118	6.3039
Group 2	5.0944	4.3174	9.4118	6.3039
<b>W Accumulation Shares</b>				
Group 1	3.4006	-	3.4006	2.1689
Group 2	1.7037	1.6969	3.4006	2.1689
<b>W Income Shares</b>				
Group 1	1.5815	-	1.5815	1.0230
Group 2	0.8402	0.7413	1.5815	1.0230

### Equalisation

All shareholders, within each share category, receive the same distribution per share, although the distribution to shareholders who purchased shares during the distribution period (Group 2 holdings) contains an element of equalisation which is a repayment, at an average rate per share, of the amount of accrued net income which was included in the purchase price of such shares. As the nature of this payment is capital it is not subject to income tax but must be deducted from the purchase price in any capital gains tax computation on the sale of the shares.

# FTF Martin Currie US Unconstrained Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value over five years or more after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least 80% of its assets in shares of US companies.

The Fund typically invests in shares of around 20-40 companies of any size, industry or market capitalisation, although the Investment Manager may invest in fewer or more companies where it considers this to be in the interests of the Fund. The portfolio is constructed without reference to any benchmark or index.

Exposure to these shares will typically be direct (purchasing the relevant shares themselves) but may also be indirect (gaining exposure to the shares through other investments). Indirect investments include:

- Convertible bonds (a type of corporate bond which can be exchanged for shares in the same organisation).
- Depository receipts (a type of listed security which enables investors to hold shares in foreign companies).
- Other collective investment schemes (which may include collective investment schemes operated by the ACD or any of its associates). The Fund may not invest more than 10% in other collective investment schemes.

The Fund invests in companies which, in the opinion of the Investment Manager:

- have the potential to generate a return on invested capital where the return is higher than the cost of capital; and
- have the potential to develop an attractive growth profile and/or cash flow generation.

In assessing potential investments, the Investment Manager evaluates the companies for the above characteristics and assesses a company's value by looking at a wide range of financial and economic factors at the level of the relevant company, its sector and the broader economy (a fundamental approach). The Investment Manager focuses on forecasting a company's potential growth and returns, based on research and due diligence and using the Investment Manager's proprietary research platform.

In selecting investments, the Investment Manager also assesses environmental, social and governance ("ESG") factors that could impact the ability of an issuer to generate future sustainable returns.

These may include shareholder rights, accounting standards, remuneration, board structure, labour relations, supply chain, data protection, pollution/hazardous waste policies, water usage and climate change policies.

The ESG assessment is quantitative and qualitative, using the Investment Manager's proprietary ESG rating system and its direct research and engagement process. The proprietary ESG assessment captures forward looking analysis. Investments are assigned a risk rating based on the Investment Manager's assessment of ESG factors. Investments are assigned a score of 1 to 5 in respect of each of governance and sustainability (meaning environmental and social factors), with 5 denoting high risk. Investments with a governance or sustainability risk rating of 4 or above will not be selected for the portfolio. The Investment Manager's assessment of a company's ESG characteristics may impact the Investment Manager's view of that company's financial valuation and attractiveness.

Where the Investment Manager identifies areas that do not meet expectations of best practice on material governance or sustainability issues, the Investment Manager will engage with companies to encourage improvement.

The Fund will not invest in:

- Companies which generate more than 5% of revenue from tobacco production, distribution or wholesale trading.
- Companies which generate revenue from the production or distribution of controversial weapons (I.e. antipersonnel mines, nuclear weaponry, biological and chemical weaponry and cluster munitions).
- Companies which generate more than 5% of revenue from the production or distribution of conventional weapons.
- Companies which generate more than 5% of revenue from the production or distribution of fossil fuels.
- Companies which generate revenue from mining of metals and minerals as defined by GICS sub-industries Diversified Metals and Mining, Copper, Gold and Precious Metals and Minerals.
- Companies generating more than 5% revenue from coal based power generation or the mining or distribution of thermal coal.
- Companies that generate 15% or more of their revenues from nuclear power generation.

## FTF Martin Currie US Unconstrained Fund

### INVESTMENT OBJECTIVE & POLICY *(Continued)*

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- Companies assessed as 'fail' under the UN Global Compact.

In addition, the Fund may also invest a proportion of its portfolio in money market instruments and deposits.

The Fund can use derivatives for efficient portfolio management (managing the Fund in a way that is designed to reduce risk or costs and/or generate extra income or growth). However, the Fund can introduce more speculative investment use of derivatives in the future on 60 days' notice to investors. The Fund will not take short positions (a technique where investors seek to profit from decreases in value of securities, indices, currencies and/or index rates). Use of derivatives is typically expected to be limited.

# FTF Martin Currie US Unconstrained Fund

## INVESTMENT REVIEW

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### PERFORMANCE

For the six months to 30 September 2023, the FTF Martin Currie US Unconstrained Fund (W Accumulation) delivered a return of -1.67%. In comparison the MSCI United States (Net Dividends) Index delivered 6.52% for the period.

### OVERVIEW

The global equity market delivered positive returns over the six month period ending 30 September 2023, with markets initially performing well but taking a down-turn in the latter half of the period. Initially, from a regional perspective, US equities outperformed ex US and European equities, while developed markets outperformed emerging markets. In terms of style leadership, Growth continued to outperform Value in global equities. However, this was much more pronounced in the US thanks to a handful of large-cap technology stocks that have extended their year-to-date rally on rising expectations of generative artificial intelligence (AI), which highlights some narrowness in the market. In contrast, emerging market (EM) stocks finished the quarter with a small gain due to fading enthusiasm over China's immediate recovery.

As headline inflation continued to decline, central banks moderated the extent of interest rate hikes over the early part of the reporting period. The US Federal Reserve (Fed) only hiked by 25 basis points (bps) before pausing in June, whilst the European Central Bank delivered two smaller hikes of 25bps in the face of persistent core inflation. However, Fed chair Jay Powell hinted two more hikes may be necessary this year as the labour market and the US economy remained robust. We anticipate further volatility to be driven central bank policies for the rest of the year, as a result of a debate on how close we are to the end of the rate hike cycle. There were further concerns around US regional banks which weighed on the market. The prospect of a collapse of First Republic Bank became apparent in April, at which point JPMorgan stepped in to purchase the company. In May, The US debt ceiling negotiations affected sentiment before an agreement was reached early June to lift the debt ceiling for two years with spending cuts.

Moving into the latter part of the reporting period, global equity markets sold off on the back of a move higher in bond yields from August to September, primarily driven by the solid economic data from the US, and a more hawkish tone at September's Federal Open Market Committee (FOMC) press conference. From a regional perspective, developed markets and emerging markets were down by a similar extent. In terms of style performance, Growth fell more than Value in global equities, with the latter supported by an energy sector rally.

During this latter part of the period, 'data dependency' rhetoric from the major central banks led to further speculation on the number of rate hikes still to come. The market initially hoped that central banks would pivot by the end of 2023. Both the US Federal Reserve (Fed) and European Central Bank (ECB) raised rates by 25 basis points (bps) in July, which left the market digesting the likelihood of a further rate hike later this year and a more restrictive policy for 2024. However, while the Fed paused its rate hiking cycle in September, the ECB went on to raise rates by another 25bps. This more hawkish stance was driven by the risks of stickier inflation (given the tight labour market across both continents) and led to a shift upwards in interest rate expectations.

This backdrop proved challenging for long duration Quality Growth stocks and was the primary driver of the underperformance for the quarter, in our view. While we are disappointed by such volatility, we note that Quality Growth should be supported in general as we move nearer to the end of the rate hiking cycle. Importantly, as long-term investors, we are confident that the portfolio consists of high return compounding business with continued solid fundamentals and outlook. They are well positioned to benefit from structural growth drivers in a low growth environment.

### SIGNIFICANT CHANGES

At the end of the reporting period, the largest absolute weights were to information technology and healthcare. There were no new purchases or outright sales over the period.

### POSITIVE/NEGATIVE CONTRIBUTORS

Information technology was the top-performing sector within the portfolio. At a stock level, it was IT and internet-based companies which were most additive, including Nvidia, Adobe and Amazon.

Healthcare was the largest detractor in sector terms, with consumer staples also notable. The largest detractors in stock terms were Estée Lauder Companies, Resmed and Masimo.

### OUTLOOK

While much of the positive investor sentiment during the first half of 2023 came from expectations that the US federal funds rate might be close to peaking, we believe inflation could remain higher and longer lasting generally. It will be critical to continue to observe wage inflation trends, as these have the potential to turn inflation into a more structural rather than frictional phenomena.

## FTF Martin Currie US Unconstrained Fund

### INVESTMENT REVIEW *(Continued)*

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We still believe central banks (both the Fed and the ECB notably) are unlikely to pivot until sometime in H2 2024. Central banks have now shifted to being more data-dependent, which will bring more volatility with every data point. We note that expectations of rate cuts in 2023 have now evaporated, and also note that expectations of a rapid shift towards cuts in H1 2024 have now been pushed into H2, closer to our initial and current view. In any case, whether we see a pivot early in 2024, or later on that year, we are closer to the end of the rate hike cycle, which we forecast to happen by the end of this year, which should itself be supportive for Quality and Growth stocks in our view.

In terms of the macroeconomic cycle, China's reopening supported our central scenario of a sharp slowdown rather than recession at the global and US level during the first part of the year. Despite the recent loss of momentum on Chinese leading indicators, we expect the Chinese economy to grow at +5-6% this year, albeit more likely at the bottom end of that range, which should in itself be fairly supportive. At the same time, the US economy has been showing impressive resilience, confounding the sceptics and with growth of c.2% expected this year. This has led to a more supportive backdrop for global growth. Europe, being more cyclically exposed to China, has experienced a weaker momentum generally, with the region being closer to the stagflation scenario that we had predicted as most likely. However, we note that more economists, market commentators and central bankers are now moving towards our view that a recession in 2023 could be averted.

**Zehrid Osmani & Robbie McNab, CFA**  
Fund Managers  
30 September 2023

# FTF Martin Currie US Unconstrained Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>W Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	715.19	643.90
Return before operating charges <sup>1</sup>	(16.41)	74.16
Operating charges <sup>2</sup>	(2.90)	(2.87)
Return after operating charges <sup>3</sup>	(19.31)	71.29
Distributions	-	-
Retained distributions on accumulation shares	-	-
Closing net asset value per share	695.88	715.19
After direct transaction costs of <sup>4</sup>	(0.05)	(0.03)
<b>Performance</b>		
Return after charges <sup>5</sup>	(2.70)%	11.07%
<b>Other information</b>		
Closing net asset value (£)	117,525,515	131,498,071
Closing number of shares	16,888,712	18,386,439
Operating charges ratio <sup>6</sup>	0.81%	0.84%
Direct transaction costs <sup>4</sup>	0.01%	0.01%
<b>Prices (p)</b>		
Highest share price	740.50	710.35
Lowest share price	686.27	610.38

<u>W H2 Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	359.75	293.54
Return before operating charges <sup>1</sup>	(14.85)	67.61
Operating charges <sup>2</sup>	(1.48)	(1.40)
Return after operating charges <sup>3</sup>	(16.33)	66.21
Distributions	-	-
Retained distributions on accumulation shares	-	-
Closing net asset value per share	343.42	359.75
After direct transaction costs of <sup>4</sup>	(0.03)	(0.01)
<b>Performance</b>		
Return after charges <sup>5</sup>	(4.54)%	22.56%
<b>Other information</b>		
Closing net asset value (£)	599,105	601,261
Closing number of shares	174,452	167,133
Operating charges ratio <sup>6</sup>	0.81%	0.84%
Direct transaction costs <sup>4</sup>	0.01%	0.01%
<b>Prices (p)</b>		
Highest share price	387.10	354.97
Lowest share price	338.79	283.21

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

# FTF Martin Currie US Unconstrained Fund

## COMPARATIVE TABLES *(Continued)*

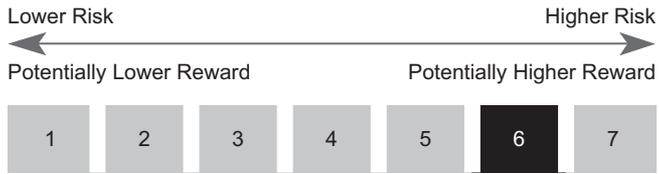
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\* The Fund launched on 23 September 2022. The opening net asset value per share is calculated from the merger price.

# FTF Martin Currie US Unconstrained Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Martin Currie US Unconstrained Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 100.07% (99.39%)</b>		
	<b>APPAREL 4.12% (4.38%)</b>		
62,159	NIKE .....	4,870	4.12
	<b>BIOTECHNOLOGY 2.00% (2.80%)</b>		
20,956	Illumina .....	2,357	2.00
	<b>CHEMICALS 7.39% (5.91%)</b>		
28,595	Linde .....	8,728	7.39
	<b>COSMETICS &amp; PERSONAL CARE 4.85% (7.50%)</b>		
48,399	Estee Lauder Cos .....	5,733	4.85
	<b>DIVERSIFIED FINANCIAL SERVICES 9.02% (7.72%)</b>		
17,782	Mastercard .....	5,769	4.88
25,933	Visa .....	4,888	4.14
		<u>10,657</u>	<u>9.02</u>
	<b>ELECTRONICS 3.91% (4.47%)</b>		
5,088	Mettler-Toledo International .....	4,619	3.91
	<b>HEALTHCARE PRODUCTS 8.88% (12.63%)</b>		
43,163	Masimo .....	3,100	2.63
60,963	ResMed .....	7,386	6.25
		<u>10,486</u>	<u>8.88</u>
	<b>INTERNET 4.55% (3.57%)</b>		
51,626	Amazon.com .....	5,377	4.55
	<b>PHARMACEUTICALS 4.85% (4.60%)</b>		
40,182	Zoetis .....	5,731	4.85
	<b>RETAIL 3.55% (3.35%)</b>		
56,024	Starbucks .....	4,189	3.55
	<b>SEMICONDUCTORS 13.67% (14.02%)</b>		
31,146	NVIDIA .....	11,097	9.39
61,475	Teradyne .....	5,059	4.28
		<u>16,156</u>	<u>13.67</u>
	<b>SOFTWARE 33.28% (28.44%)</b>		
14,427	Adobe .....	6,027	5.10
23,582	ANSYS .....	5,749	4.87
32,745	Autodesk .....	5,551	4.70
3,537	Constellation Software .....	5,996	5.08
3,801	Constellation Software 31/03/2040 Warrant <sup>1</sup> .....	-	0.00
43,278	Microsoft .....	11,194	9.48
28,689	Veeva Systems .....	4,784	4.05
		<u>39,301</u>	<u>33.28</u>
	<b>TOTAL - EQUITIES</b>	<u>118,204</u>	<u>100.07</u>
	<b>HEDGE SHARE CLASS DERIVATIVES 0.00% (0.00%)</b>		
	<b>HEDGE FORWARD CURRENCY CONTRACTS</b>		
CAD 1,403	Buy CAD 1,403 sell GBP (854) dated 31/10/2023 .....	-	0.00
CAD 626	Buy CAD 626 sell GBP (382) dated 31/10/2023 .....	-	0.00
CAD 1	Buy CAD 1 sell GBP 0 dated 31/10/2023 .....	-	0.00
GBP 30,524	Buy GBP 30,524 sell CAD (50,147) dated 31/10/2023 .....	-	0.00
GBP 0	Buy GBP 0 sell CAD (1) dated 31/10/2023 .....	-	0.00
GBP 214	Buy GBP 214 sell CAD (351) dated 31/10/2023 .....	-	0.00
GBP 29	Buy GBP 29 sell CAD (47) dated 31/10/2023 .....	-	0.00
GBP 582,600	Buy GBP 582,600 sell USD (708,834) dated 31/10/2023 .....	2	0.00
GBP 4,087	Buy GBP 4,087 sell USD (4,972) dated 31/10/2023 .....	-	0.00
GBP 40	Buy GBP 40 sell USD (49) dated 31/10/2023 .....	-	0.00
GBP 550	Buy GBP 550 sell USD (668) dated 31/10/2023 .....	-	0.00
GBP 18	Buy GBP 18 sell USD (22) dated 31/10/2023 .....	-	0.00

## FTF Martin Currie US Unconstrained Fund

### PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>HEDGE FORWARD CURRENCY CONTRACTS (Continued)</b>			
USD 19,891	Buy USD 19,891 sell GBP (16,350) dated 31/10/2023 .....	-	0.00
USD 8,852	Buy USD 8,852 sell GBP (7,291) dated 31/10/2023 .....	-	0.00
		<u>2</u>	<u>0.00</u>
	TOTAL - HEDGE SHARE CLASS DERIVATIVES	<u>2</u>	<u>0.00</u>
	<b>TOTAL VALUE OF INVESTMENTS .....</b>	<b><u>118,206</u></b>	<b><u>100.07</u></b>
	<b>OTHER LIABILITIES .....</b>	<b><u>(81)</u></b>	<b><u>(0.07)</u></b>
	<b>TOTAL NET ASSETS .....</b>	<b><u>118,125</u></b>	<b><u>100.00</u></b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

<sup>1</sup> These securities are fair valued by the manager.

# FTF Martin Currie US Unconstrained Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(3,149)		(909)
Revenue	371		-	
Expenses	(519)		(22)	
Interest payable and similar charges	(1)		-	
Net expense before taxation	(149)		(22)	
Taxation	(46)		-	
Net expense after taxation		(195)		(22)
<b>Total return before distributions</b>		<b>(3,344)</b>		<b>(931)</b>
Distributions		-		-
<b>Change in net assets attributable to shareholders</b>		<b>(3,344)</b>		<b>(931)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>132,099</b>		<b>-</b>
Amounts received on creation of shares	2,264		137,091	
Amounts paid on cancellation of shares	(12,894)		(2,400)	
		(10,630)		134,691
Change in net assets attributable to shareholders from investment activities (see above)		(3,344)		(931)
Retained distribution on accumulation shares		-		-
<b>Closing net assets attributable to shareholders</b>		<b>118,125</b>		<b>133,760</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023*
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	118,206	131,288
Current assets		
Debtors	33	417
Cash and bank balances	175	812
<b>Total assets</b>	<b>118,414</b>	<b>132,517</b>
<b>Liabilities</b>		
Creditors		
Other creditors	(289)	(418)
<b>Total liabilities</b>	<b>(289)</b>	<b>(418)</b>
<b>Net assets attributable to shareholders</b>	<b>118,125</b>	<b>132,099</b>

\* The Fund launched on 23 September 2022.

# FTF Royce US Smaller Companies Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value over a period of three years or more.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least 80% of its assets in the shares and preference shares of smaller companies (i.e. those with market capitalisations not greater than that of the largest company in the Russell 2000 Index (the "Index") at the time of its most recent reconstitution) headquartered in the U.S. Preference shares are shares where dividends are paid out in advance of dividends due to other shares in the company. The Fund typically invests in shares of fewer than 100 companies.

The Fund does not intend to replicate the issuer, sector and industry composition or weightings of the Index. The issuer, sector and industry composition and weightings of the Fund's portfolio are likely to vary considerably from those of the Index. To the extent the Fund is more heavily invested in a particular issuer, sector or industry relative to the Index, its performance may be tied more directly to the success or failure of a relatively smaller or less well-diversified group of portfolio holdings than that of the Index. The Fund may also include shares of companies which are not included in the Index.

The Investment Manager seeks to invest in companies which it believes possess excellent business strengths or prospects, high internal rates of return and whose securities are trading significantly below the Investment Manager's estimate of their current worth. In addition, the Investment Manager looks for companies which it considers have an attractive financial profile, including companies with: (i) conservative balance sheets with low leverage; (ii) prudent capital allocation; and (iii) attractive reinvestment opportunities. In selecting investments, the Investment Manager also assesses environmental, social and governance ("ESG") factors that could impact an issuer's business risk profile and corporate performance. These may include risk factors such as a company's approach to shareholder rights, accounting standards, remuneration, board structure, labour relations, supply chain, data protection, pollution / hazardous waste policies, water usage and climate change policies. The Investment Manager's assessment of a company's ESG characteristics may impact the Investment Manager's view of that company's financial valuation and attractiveness. Where the Investment Manager identifies areas that do not meet expectations of best practice on material ESG issues, the Investment Manager will engage with companies to encourage improvement.

In addition, the Fund may invest a proportion of its assets in shares, preference shares, convertible bonds (a type of corporate debt security which can be exchanged for shares in the same organisation), other debt securities and warrants issued by companies in any jurisdiction and of any size. The Fund may hold cash, cash equivalents and money market instruments. The Fund may also invest up to a maximum of 10% of its assets in other collective investment schemes, which may include those operated by the ACD or any of its associates.

The Fund can use derivatives for efficient portfolio management (managing the Fund in a way that is designed to reduce risk or cost and/or generate extra income or growth). Derivatives are investments whose value is linked to another investment or the performance of another variable factor, such as interest rates, currencies of any country or indices. The Fund may introduce more speculative use of derivatives in the future, on 60 days' notice to investors.

# FTF Royce US Smaller Companies Fund

## INVESTMENT REVIEW

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### PERFORMANCE

For the six months to 30 September 2023, the FTF Royce US Smaller Companies Fund (W Accumulation) returned 5.48%. In comparison, the Russell 2000 Index returned 1.11% over the same period.

### OVERVIEW

The 10-Year Treasury yield rose to 4.6% in September, climbing by more than 20% in the 3rd quarter of the year to its highest rate since October 2007. This led U.S. stocks lower while reinforcing a stubborn pattern of small-cap underperformance that has been in place for several years and has been consistent so far in 2023. The Russell 2000 fell 0.2% (in US dollars) for the six-month period, while the large-cap Russell 1000 Index rose 5.2% (in US dollars). Nine of the 11 sectors in the Russell 2000 were negative in the six-month period, with Health Care, Utilities, and Consumer Discretionary losing most. Energy was the top contributor by a wide margin, followed by Industrials, while Consumer Staples detracted least.

### SIGNIFICANT CHANGES

The top five buys during the 6-month period were:

- Korn Ferry
- EnPro Industries
- Catalyst Pharmaceuticals
- Cirrus Logic
- Lazard

The top five sells during the 6-month period were:

- Avid Technology (acquired in August)
- Ironwood Pharmaceuticals
- Heritage Crystal Clean (acquired in July)
- Computer Task
- Forward Air

### POSITIVE/NEGATIVE CONTRIBUTORS

Four of the Fund's equity sectors contributed to performance, with the largest positive impacts coming from Industrials, Information Technology, and Financials. The sectors that detracted most were Consumer Discretionary, Communication Services, and Real Estate. At the industry level, semiconductors & semiconductor equipment (Information Technology), machinery (Industrials), and capital markets (Financials) were the biggest contributors while professional services (Industrials), interactive media & services (Communication Services), and textiles, apparel & luxury goods (Consumer Discretionary) were the top detractors.

The Fund's top contributor at the position level was Onto Innovation, a leading semiconductor capital equipment supplier with a more than 50% market share in metrology and inspection equipment and software for back-end semiconductor packaging. Onto operates in essentially a rational oligopoly and is benefiting from secular trends driving the increasing importance and complexity of chip inspection resulting from new forms of chip packaging to perpetuate Moore's Law. In addition to signs that destocking in the semiconductor industry, especially in memory, is finally stabilizing along the bottom, Onto has benefited in recent months from the announcement of more than \$100 million of orders for its inspection system that's used for advanced packaging of the high bandwidth memory chips and graphics processor units which are used in High Performance Computing and facilitate Artificial Intelligence applications.

The top detractor in the six-month period was Ziff Davis, which acquires and operates digital media and internet brands across key verticals including Health Care, Gaming, Shopping, and Technology. The category focus and domain expertise of its brands, underpinned by editorial content and tools Ziff produces for the sites, are designed to attract customers with a "high intent to purchase" products or services in each site's vertical. Ziff can thus drive and deliver a targeted audience that is close to a buy decision for the companies that advertise on these sites. Ziff's stock, however, has been depressed for several quarters due to a digital advertising recession as many companies, particularly in technology, have cut back discretionary expenses such as advertising in the face of decreased consumer demand. Additionally, ad-driven media companies have seen valuation multiple compression which is rooted in fears that the emergence of generative AI-driven search engines (e.g., ChatGPT; Google's Bard) could take advertising revenue from and reduce click-through rates to internet sites. The initial evidence does not support this fear, though it will remain a focus as AI continues to evolve.

# FTF Royce US Smaller Companies Fund

## INVESTMENT REVIEW *(Continued)*

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Relative to the Russell 2000 for the six months, the Fund's advantage came from stock selection. At the sector level, stock picks in Information Technology and Financials added most to relative performance, followed by the portfolio's larger weighting and, to a lesser extent, stock selection in Industrials. Conversely, relative results were hampered most by the portfolio's much lower weighting in Energy, as well as stock selection in Consumer Discretionary and Communication Services.

### OUTLOOK

Heading into the final quarter of 2023, we remain optimistic about the Fund's prospects for strong absolute and relative long-term performance given its portfolio of high return on invested capital (ROIC) companies with durable business models that trade at reasonable valuations. The Russell 2000 declined -24.8% from its peak on 8 November 2021 through to 30 September 2023 versus -8.9% for the Fund. During this time investor sentiment has vacillated between the near certainty that the U.S. would enter a recession and optimism about a soft landing. This same period also saw inflation reach levels not seen in decades, the Fed raise its target interest rate 11 times and more than 500 basis points, a mini-crisis in U.S. regional banking, Russia invade Ukraine, and consumer spending begin to temper with the wind down of pandemic-era fiscal stimulus programs. Despite these macro headwinds, for the trailing 12 months, the Fund's companies generated an aggregate ROIC of 19.4% versus 13.2% for the Russell 2000. The Fund's focus on owning high quality small-caps with differentiated business models that can create value even during turbulent times has been key to providing solid downside protection, both in the current small-cap bear market and over the long term. We remain optimistic about the favourable long-term growth prospects for our holdings. The unique and sustainable competitive advantages and consistent free cash flow generation that are hallmarks of quality businesses typically open multiple avenues to drive growth, including organic investment in their core businesses and via complementary acquisitions. These same features have made many of the Fund's holdings industry leaders that are often not just beneficiaries but also prime facilitators of secular growth tailwinds within their markets.

**Lauren Romeo CFA**  
Fund Manager  
30 September 2023

# FTF Royce US Smaller Companies Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>W Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	294.34	277.48
Return before operating charges <sup>1</sup>	10.33	19.07
Operating charges <sup>2</sup>	(1.10)	(2.21)
Return after operating charges <sup>3</sup>	9.23	16.86
Distributions	-	(0.40)
Retained distributions on accumulation shares	-	0.40
Closing net asset value per share	303.57	294.34
After direct transaction costs of <sup>4</sup>	(0.14)	(0.20)
<b>Performance</b>		
Return after charges <sup>5</sup>	3.14%	6.08%
<b>Other information</b>		
Closing net asset value (£)	274,707,070	247,366,669
Closing number of shares	90,490,912	84,041,508
Operating charges ratio <sup>6</sup>	0.74%	0.82%
Direct transaction costs <sup>4</sup>	0.05%	0.07%
<b>Prices (p)</b>		
Highest share price	314.37	322.71
Lowest share price	277.19	270.58

<u>W H2 Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	183.42	156.21
Return before operating charges <sup>1</sup>	2.96	28.54
Operating charges <sup>2</sup>	(0.70)	(1.33)
Return after operating charges <sup>3</sup>	2.26	27.21
Distributions	-	-
Retained distributions on accumulation shares	-	-
Closing net asset value per share	185.68	183.42
After direct transaction costs of <sup>4</sup>	(0.09)	(0.12)
<b>Performance</b>		
Return after charges <sup>5</sup>	1.23%	17.42%
<b>Other information</b>		
Closing net asset value (£)	1,227,890	753,364
Closing number of shares	661,281	410,738
Operating charges ratio <sup>6</sup>	0.74%	0.82%
Direct transaction costs <sup>4</sup>	0.05%	0.07%
<b>Prices (p)</b>		
Highest share price	201.97	197.09
Lowest share price	175.01	152.55

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

# FTF Royce US Smaller Companies Fund

## COMPARATIVE TABLES *(Continued)*

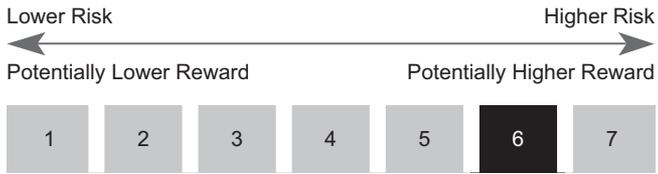
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\* The Fund launched on 23 September 2022. The opening net asset value per share is calculated from the merger price.

# FTF Royce US Smaller Companies Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Royce US Smaller Companies Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 96.38% (96.44%)</b>		
	<b>AEROSPACE &amp; DEFENCE 1.70% (1.33%)</b>		
342,148	Leonardo DRS .....	4,684	1.70
	<b>APPAREL 2.90% (2.71%)</b>		
50,413	Carter's .....	2,856	1.03
146,716	Steven Madden .....	3,817	1.38
204,294	Wolverine World Wide .....	1,349	0.49
		<u>8,022</u>	<u>2.90</u>
	<b>AUTOMOBILE PARTS &amp; EQUIPMENT 3.95% (3.66%)</b>		
230,170	Gentex .....	6,136	2.22
148,254	Miller Industries .....	4,761	1.73
		<u>10,897</u>	<u>3.95</u>
	<b>BUILDING MATERIALS 1.76% (2.04%)</b>		
107,079	Louisiana-Pacific .....	4,848	1.76
	<b>CHEMICALS 3.67% (3.44%)</b>		
74,535	Innospec .....	6,234	2.26
18,067	Quaker Chemical .....	2,367	0.86
57,046	Valvoline .....	1,507	0.55
		<u>10,108</u>	<u>3.67</u>
	<b>COMMERCIAL SERVICES 9.08% (8.36%)</b>		
50,639	AMN Healthcare Services .....	3,532	1.28
74,928	Cass Information Systems .....	2,287	0.83
65,349	Computer Task .....	553	0.20
530,444	Dun & Bradstreet .....	4,337	1.57
228,662	Forrester Research .....	5,414	1.96
197,588	Korn Ferry .....	7,680	2.78
24,869	RB Global .....	1,273	0.46
		<u>25,076</u>	<u>9.08</u>
	<b>COMPUTERS 0.49% (0.00%)</b>		
29,500	Crane NXT .....	1,343	0.49
	<b>COSMETICS &amp; PERSONAL CARE 2.21% (2.01%)</b>		
55,419	Inter Parfums .....	6,087	2.21
	<b>DISTRIBUTION &amp; WHOLESALE 0.88% (1.03%)</b>		
222,897	Hudson Technologies .....	2,427	0.88
	<b>DIVERSIFIED FINANCIAL SERVICES 8.74% (7.30%)</b>		
207,497	Air Lease .....	6,698	2.43
205,617	Artisan Partners Asset Management .....	6,300	2.28
87,192	Houlihan Lokey .....	7,649	2.77
136,373	Lazard .....	3,465	1.26
		<u>24,112</u>	<u>8.74</u>
	<b>ELECTRONICS 6.50% (5.76%)</b>		
113,184	Brady .....	5,091	1.84
93,343	ESCO Technologies .....	7,980	2.89
218,278	Kimball Electronics .....	4,897	1.77
		<u>17,968</u>	<u>6.50</u>
	<b>ENGINEERING &amp; CONSTRUCTION 2.27% (2.22%)</b>		
106,332	Arcosa .....	6,264	2.27
	<b>ENVIRONMENTAL CONTROL 0.00% (0.85%)</b>		
	<b>HEALTHCARE PRODUCTS 5.58% (6.01%)</b>		
130,957	Bio-Techne .....	7,303	2.65
135,663	Enovis .....	5,862	2.12
16,981	UFP Technologies .....	2,246	0.81
		<u>15,411</u>	<u>5.58</u>

# FTF Royce US Smaller Companies Fund

## PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>HOME BUILDERS 3.79% (3.93%)</b>		
45,535	LCI Industries .....	4,379	1.59
116,193	Skyline Champion .....	6,064	2.20
		10,443	3.79
	<b>INSURANCE 4.50% (4.91%)</b>		
43,833	RLI .....	4,877	1.77
6,150	White Mountains Insurance .....	7,540	2.73
		12,417	4.50
	<b>INTERNET 2.89% (3.05%)</b>		
152,773	Ziff Davis .....	7,966	2.89
	<b>LEISURE TIME 2.07% (1.57%)</b>		
88,479	Brunswick .....	5,723	2.07
	<b>LODGING 1.06% (1.57%)</b>		
694,919	Century Casinos .....	2,915	1.06
	<b>MACHINERY DIVERSIFIED 3.81% (3.49%)</b>		
80,908	Esab .....	4,655	1.69
31,679	Kadant .....	5,854	2.12
		10,509	3.81
	<b>METAL &amp; HARDWARE 1.41% (0.52%)</b>		
78,141	Northwest Pipe .....	1,926	0.70
81,817	Ryerson .....	1,950	0.71
		3,876	1.41
	<b>MISCELLANEOUS MANUFACTURING 5.43% (5.80%)</b>		
45,667	EnPro Industries .....	4,532	1.64
19,100	Fabrinet .....	2,607	0.95
90,975	John Bean Technologies .....	7,833	2.84
		14,972	5.43
	<b>OIL &amp; GAS SERVICES 1.77% (1.39%)</b>		
597,450	Pason Systems .....	4,877	1.77
	<b>PHARMACEUTICALS 2.02% (3.06%)</b>		
378,113	Catalyst Pharmaceuticals .....	3,612	1.31
73,069	Harmony Biosciences .....	1,962	0.71
		5,574	2.02
	<b>REAL ESTATE INVESTMENT &amp; SERVICES 4.21% (3.84%)</b>		
635,047	Kennedy-Wilson .....	7,669	2.78
164,675	Marcus & Millichap .....	3,956	1.43
		11,625	4.21
	<b>RETAIL 1.37% (1.38%)</b>		
169,352	Movado .....	3,793	1.37
	<b>SEMICONDUCTORS 9.91% (8.41%)</b>		
42,259	Cirrus Logic .....	2,563	0.93
64,072	Cohu .....	1,806	0.65
253,695	FormFactor .....	7,260	2.63
99,644	MKS Instruments .....	7,061	2.56
40,338	Onto Innovation .....	4,212	1.53
161,516	Vishay Precision .....	4,434	1.61
		27,336	9.91
	<b>SOFTWARE 0.64% (3.10%)</b>		
51,561	Simulations Plus .....	1,761	0.64
	<b>TRANSPORTATION 1.77% (3.70%)</b>		
33,792	Landstar System .....	4,896	1.77
	<b>TOTAL - EQUITIES</b>	265,930	96.38

# FTF Royce US Smaller Companies Fund

## PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>COLLECTIVE INVESTMENT SCHEMES 1.94% (1.84%)</b>		
48,232	iShares Russell 2000 Value ETF .....	5,355	1.94
	TOTAL - COLLECTIVE INVESTMENT SCHEMES	5,355	1.94
	<b>HEDGE SHARE CLASS DERIVATIVES 0.00% (0.00%)</b>		
	<b>HEDGE FORWARD CURRENCY CONTRACTS</b>		
CAD 3	Buy CAD 3 sell GBP (2) dated 31/10/2023.....	-	0.00
CAD 1,480	Buy CAD 1,480 sell GBP (904) dated 31/10/2023.....	-	0.00
CAD 639	Buy CAD 639 sell GBP (389) dated 31/10/2023 .....	-	0.00
CAD 4	Buy CAD 4 sell GBP (2) dated 31/10/2023.....	-	0.00
GBP 23,793	Buy GBP 23,793 sell CAD (39,088) dated 31/10/2023 .....	-	0.00
GBP 202	Buy GBP 202 sell CAD (332) dated 31/10/2023 .....	-	0.00
GBP 16	Buy GBP 16 sell CAD (26) dated 31/10/2023 .....	-	0.00
GBP 1,216,407	Buy GBP 1,216,407 sell USD (1,479,972) dated 31/10/2023.....	4	0.00
GBP 2	Buy GBP 2 sell USD (2) dated 31/10/2023.....	-	0.00
GBP 10,243	Buy GBP 10,243 sell USD (12,462) dated 31/10/2023 .....	-	0.00
GBP 829	Buy GBP 829 sell USD (1,010) dated 31/10/2023.....	-	0.00
USD 80	Buy USD 80 sell GBP (66) dated 31/10/2023 .....	-	0.00
USD 24,994	Buy USD 24,994 sell GBP (20,505) dated 31/10/2023 .....	-	0.00
	TOTAL - HEDGE SHARE CLASS DERIVATIVES	4	0.00
	<b>TOTAL VALUE OF INVESTMENTS .....</b>	<b>271,289</b>	<b>98.32</b>
	<b>OTHER ASSETS .....</b>	<b>4,646</b>	<b>1.68</b>
	<b>TOTAL NET ASSETS .....</b>	<b>275,935</b>	<b>100.00</b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

# FTF Royce US Smaller Companies Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Income</b>				
Net capital gains/(losses)		7,231		(2,190)
Revenue	1,860		29	
Expenses	(945)		-	
Interest payable and similar charges	-		-	
Net revenue before taxation	915		29	
Taxation	(268)		(4)	
Net revenue after taxation		647		25
<b>Total return before distributions</b>		<b>7,878</b>		<b>(2,165)</b>
Distributions		-		-
<b>Change in net assets attributable to shareholders</b>		<b>7,878</b>		<b>(2,165)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>248,120</b>		<b>-</b>
Amounts received on creation of shares	25,142		205,011	
Amounts paid on cancellation of shares	(5,206)		(623)	
		19,936		204,388
Dilution adjustment		1		-
Change in net assets attributable to shareholders from investment activities (see above)		7,878		(2,165)
Retained distribution on accumulation shares		-		-
<b>Closing net assets attributable to shareholders</b>		<b>275,935</b>		<b>202,223</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023*
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	271,289	243,855
Current assets		
Debtors	821	1,693
Cash and bank balances	4,721	4,321
Total assets	276,831	249,869
<b>Liabilities</b>		
Creditors		
Other creditors	(896)	(1,749)
Total liabilities	(896)	(1,749)
<b>Net assets attributable to shareholders</b>	<b>275,935</b>	<b>248,120</b>

\* The Fund launched on 23 September 2022.

# FTF Templeton Global Emerging Markets Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value by more than the MSCI Emerging Markets (Net Dividends) Index over a five-year period after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least two thirds (but typically significantly more) in emerging markets (countries whose economy and financial markets are still developing). The Fund typically invests in around 60–80 companies of any size or industry that:

- are listed on an emerging markets stock exchange, or
- are domiciled or conduct a significant proportion of their business in emerging markets, or
- receive a significant amount of their revenues from emerging markets.

To a lesser extent, the Fund may also invest in frontier markets, these are markets that are at earlier stages of their economic and financial market development than emerging markets.

The Fund's managers use research and experience to identify companies that show more potential to deliver sustainable growth over the long-term (5 years) than their market price would suggest.

The Fund's portfolio may include some overlap with the Index but does not intend to replicate it and may vary considerably. The Fund may include shares and countries that are not included in the MSCI Emerging Markets (Net Dividends) Index.

Typically, to help manage risk, the Fund's managers aim to keep exposure to any single company in a range of 5% more or less than the Index and industry and country exposure in a range of 10% more or less than the MSCI Emerging Markets (Net Dividends) Index.

In addition, the Fund may also invest a proportion of its portfolio in other transferable securities including fixed interest and other debt related securities, cash and cash equivalents, money market instruments, and other collective investment schemes.

The Fund can use derivatives for efficient portfolio management (managing the fund in a way that is designed to reduce risk or cost and/or generate extra income or growth). However, the Fund can introduce more speculative use of derivatives in the future on 60 days' notice to investors. Derivatives are financial contracts whose value is linked to the price of another asset (e.g. indices, interest rates, share prices or currencies).

# FTF Templeton Global Emerging Markets Fund

## INVESTMENT REVIEW

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### PERFORMANCE

For the six-month period ended 30 September 2023, the FTF Templeton Global Emerging Markets Fund (W Accumulation) returned -0.13%, whilst the MSCI Emerging Markets Index returned -0.78% (both returns in UK sterling).

### OVERVIEW

Emerging market (EM) equities broadly declined over the six-month period under review. The period started positively—expectations of a bottoming of the technology sector and signs of receding inflation in several countries were optimistic developments—but this was somewhat affected by China's slow demand recovery and uncertainties over US interest rates. A risk-off environment sparked by the US Federal Reserve's forecast of higher-for-longer interest rate policy through 2024 affected market sentiment towards the end of the period.

### SIGNIFICANT CHANGES

In the last six months, the portfolio increased its holdings in Mexico, China/Hong Kong and Hungary as we continued to identify companies with sustainable earnings power, trading at a discount to their intrinsic worth. In terms of sectors, additions were undertaken in health care, information technology and financials.

We added new names into our existing high-conviction portfolio holdings via initiations of Grupo Financiero Banorte (a Mexico-based financial institution) and Federal Bank (an India-based lender). We believe that Federal Bank has one of the strongest deposit franchises amongst mid-sized players domestically, giving it a cost of funds advantage compared to their competitors whilst trading at attractive valuations. We also added onto our existing holdings in Samsung SDI, a leading manufacturer of lithium-ion batteries for electric vehicles (EVs), energy storage, power tools and information technology products. We felt that its valuation did not reflect its status as a long-term beneficiary of robust demand for batteries for EVs and other electronics. We also added to our existing holdings of Wuxi Biologics (a specialist biotechnology contract development and manufacturing organisation) and Techtronic (a leading power tools manufacturer based in Hong Kong). Lastly, we also purchased H-shares of China Merchants Bank (a commercial bank)—we switched out of the A-shares to purchase the H-shares (which we did not hold at the beginning of the period).

The Fund reduced its investments in South Korea, Taiwan and Brazil in favour of opportunities that we found more compelling. Sectors which experienced the largest sales were materials, consumer discretionary and communication services.

We also sold off our holdings in POSCO, a South Korea-based steel product manufacturer with a diversified line of steel products. Whilst POSCO is one of the most efficient and cost competitive steel makers globally, its share price had rallied on the back of optimism around its battery materials business (where the company has materially raised their longer-term targets). We observed that POSCO's strong stock performance rallied to a level above our assessment of its intrinsic value and therefore sold our holdings. We also exited Banco Santander Mexico (a banking and financial services provider) and reduced our exposure to Taiwan Semiconductor Manufacturing Company (the world's largest foundry semiconductor company) and Brilliance China (a Chinese automobile manufacturer noted for its association with German luxury car maker BMW). We also switched out of our holdings in the A-shares of China Merchants Bank to the H-shares as the H-shares were cheaper.

### POSITIVE/NEGATIVE CONTRIBUTORS

The Fund posted a decline in the six months to 30 September 2023. From a relative return perspective, the Fund's performance fared better than that of the benchmark index, which also moved lower over the period under review.

On a sector basis, stock selection in the communication services, financials and energy sectors were key drivers of relative performance. In the energy sector, Petroleo Brasileiro (Petrobras), a Brazilian energy company engaged in the exploration, production, and distribution of oil and gas was a strong contributor. Its share price remained resilient throughout the period. The company announced a new shareholder return policy and also raised gasoline and diesel prices, which alleviated some concerns regarding its capital allocation and pricing policy. An increase in oil prices towards the end of the quarter also supported its share price. Another strong contributor was POSCO. Its shares had rallied in the later part of the period on optimism around its battery materials business (where the company has materially raised their longer-term targets). Shares of Brilliance China Automotive also moved higher and benefitted the portfolio. The company announced a special dividend in the last quarter, which was a key driver of returns.

At a country level, Brazil, South Korea and South Africa were amongst contributors to relative performance. Stock selection in Brazil and South Korea, together with allocations in Brazil (overweight) and South Africa (underweight) spurred these countries to top contribution status.

# FTF Templeton Global Emerging Markets Fund

## INVESTMENT REVIEW *(Continued)*

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Conversely, the largest relative detractors at a sector level were information technology, consumer staples and consumer discretionary, mainly due to stock selection. The largest detractor from relative performance at a security level was Guangzhou Tinci Materials Technology, a China-based producer of electrolytes for EV. Slower growth in EV demand as well as higher competition driven by an increase in industry capacity for electrolytes and declining lithium prices have impacted the company's near-term performance. We remain constructive about Guangzhou Tinci's prospects as the robust demand for batteries needed for EVs and energy storage—two of the fastest growing parts of the global economy—will allow it to deliver strong earnings over the medium term. The company is vertically integrated and we believe it is cost competitive. The detraction in the information technology sector was led by our overweight allocation in Samsung SDI. Its share price was affected in the later part of the period due to weakened sentiment for EV battery stocks from concerns on slowing EV demand growth. The stock was pressured further by its profit for the second quarter of 2023, which was below the median estimate—a sluggish electronic materials business negated strong sales in the EV battery segment. However, we expect Samsung SDI to deliver sustained growth from a combination of EV battery demand growth globally and a recovery of its electronic materials segment. An off-benchmark holding in Prosus—a leading global investment company and the largest shareholder of Tencent, a Chinese technology company—was a key detractor in the consumer discretionary sector. Its share price tracked Tencent's (which fell on concerns of a slower demand recovery and a miss in its first-quarter financial results), but an announcement that Prosus will remove the cross-holding structure with technology company Naspers (not a portfolio holding) managed to limit losses.

Focusing on countries, stock selection in Taiwan, China and India, together with an underweight allocation in India, propelled these countries to top detraction status.

### OUTLOOK

EMs have been volatile due to fears of higher interest rates for longer. Nevertheless, we believe that there are accompanying opportunities, as a few EM economies (such as Brazil) have started to cut their interest rates, which should be positive for consumption recovery.

The recovery of demand in China has been tepid and low birth rates and a slower property sector pose further long-term challenges to its growth trajectory. China's internet sector has adjusted to the new policy and demand environment and has reported resilient earnings thus far. We expect future returns to be driven by steady cash flow generation and buybacks, with limited growth drivers. In India, information technology services have been impacted by a slowdown in discretionary spending. Nevertheless, cost takeout deals are gaining momentum and we have reallocated to the sector.

The semiconductor cycle has remained weak due to slower demand. With the emerging popularity of artificial intelligence (AI), there has been a demand uplift that primarily benefits companies within the value chain. In the portfolio, our holdings in TSMC and Samsung Electronics are direct beneficiaries of AI-driven demand. The structural themes of EV and renewable energy have also been volatile, impacted by slower short-term growth and concerns of oversupply. We believe that the long-term structural growth opportunities for these sectors remain intact and are keeping watch on our holdings within these segments.

Amidst an uncertain macroeconomic environment, we continue to retain a bottom-up focus on research. Rigorous stock selection will be critical as investment opportunities and risks evolve.

**Chetan Sehgal, CFA & Andrew Ness, CFA**

Fund Managers

30 September 2023

# FTF Templeton Global Emerging Markets Fund

## COMPARATIVE TABLES As at 30 September 2023

<b>S – Accumulation shares*</b>	<b>30 September 2023</b>	<b>31 March 2023</b>	<b>31 March 2022</b>	
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	836.11	821.69	1,000.00	
Return before operating charges <sup>1</sup>	4.26	20.04	(172.52)	
Operating charges <sup>2</sup>	(2.93)	(5.62)	(5.79)	
Return after operating charges <sup>3</sup>	1.33	14.42	(178.31)	
Distributions	-	(24.74)	(10.89)	
Retained distributions on accumulation shares	-	24.74	10.89	
Closing net asset value per share	837.44	836.11	821.69	
After direct transaction costs of <sup>4</sup>	(0.45)	(1.82)	(0.92)	
<b>Performance</b>				
Return after charges <sup>5</sup>	0.16%	1.75%	(17.83)%	
<b>Other information</b>				
Closing net asset value (£)	32,660	32,608	2,951	
Closing number of shares	3,900	3,900	359	
Operating charges ratio <sup>6</sup>	0.70%	0.70%	0.63%	
Direct transaction costs <sup>4</sup>	0.05%	0.23%	0.10%	
<b>Prices (p)</b>				
Highest share price	875.60	886.58	1,005.70	
Lowest share price	796.90	717.37	741.83	
<b>W – Accumulation shares</b>				
	<b>30 September 2023</b>	<b>31 March 2023</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	152.68	150.44	179.23	119.00
Return before operating charges <sup>1</sup>	0.77	3.71	(27.10)	61.83
Operating charges <sup>2</sup>	(0.76)	(1.47)	(1.69)	(1.60)
Return after operating charges <sup>3</sup>	0.01	2.24	(28.79)	60.23
Distributions	-	(4.09)	(1.45)	(1.66)
Retained distributions on accumulation shares	-	4.09	1.45	1.66
Closing net asset value per share	152.69	152.68	150.44	179.23
After direct transaction costs of <sup>4</sup>	(0.08)	(0.33)	(0.17)	(0.13)
<b>Performance</b>				
Return after charges <sup>5</sup>	-	1.49%	(16.06)%	50.61%
<b>Other information</b>				
Closing net asset value (£)	14,153,097	14,811,616	16,344,645	17,028,822
Closing number of shares	9,269,140	9,701,203	10,864,583	9,501,033
Operating charges ratio <sup>6</sup>	1.00%	1.00%	1.00%	1.00%
Direct transaction costs <sup>4</sup>	0.05%	0.23%	0.10%	0.08%
<b>Prices (p)</b>				
Highest share price	159.73	161.89	185.50	194.54
Lowest share price	145.49	131.09	135.83	115.93

# FTF Templeton Global Emerging Markets Fund

## COMPARATIVE TABLES (Continued)

<u>Y – Income shares</u>	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	137.94	139.69	168.19	112.60
Return before operating charges <sup>1</sup>	0.69	3.38	(25.53)	58.70
Operating charges <sup>2</sup>	(0.20)	(0.14)	(0.22)	(0.16)
Return after operating charges <sup>3</sup>	0.49	3.24	(25.75)	58.54
Distributions	-	(4.99)	(2.75)	(2.95)
Closing net asset value per share	138.43	137.94	139.69	168.19
After direct transaction costs of <sup>4</sup>	(0.07)	(0.31)	(0.16)	(0.12)
<b>Performance</b>				
Return after charges <sup>5</sup>	0.36%	2.32%	(15.31)%	51.99%
<b>Other information</b>				
Closing net asset value (£)	7,656	7,629	14,502,691	19,176,657
Closing number of shares	5,531	5,531	10,381,795	11,401,763
Operating charges ratio <sup>6</sup>	0.29%	0.10%	0.14%	0.11%
Direct transaction costs <sup>4</sup>	0.05%	0.23%	0.10%	0.08%
<b>Prices (p)</b>				
Highest share price	144.71	151.42	174.26	185.54
Lowest share price	131.51	122.34	128.58	109.69

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

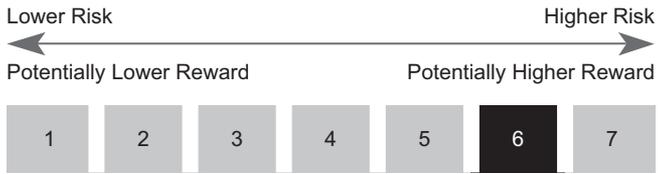
6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

\* This share class launched on 30 April 2021.

# FTF Templeton Global Emerging Markets Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Templeton Global Emerging Markets Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 97.82% (97.06%)</b>		
	<b>AFRICA 0.74% (0.81%)</b>		
	<b>KENYA</b>		
2,492	East African Breweries .....	2	0.01
	<b>SOUTH AFRICA</b>		
176,359	Netcare .....	103	0.73
	TOTAL - AFRICA .....	105	0.74
	<b>ASIA 75.69% (76.64%)</b>		
	<b>CAMBODIA</b>		
64,062	NagaCorp .....	25	0.18
	<b>CHINA</b>		
76,778	Alibaba .....	688	4.85
615	Alibaba ADR <sup>†</sup> .....	44	0.31
110,416	BAIC Motor .....	27	0.19
17,330	Baidu .....	242	1.71
18,500	Beijing Oriental Yuhong Waterproof Technology .....	56	0.39
9,219	Chervon .....	22	0.15
72,857	China Merchants Bank .....	249	1.75
3,903	Daqo New Energy <sup>†</sup> .....	97	0.68
41,817	Greentown Service .....	15	0.11
63,561	Guangzhou Tinci Materials Technology .....	193	1.36
61,067	Haier Smart Home .....	59	0.42
954	JD.com .....	11	0.08
9,189	Meituan .....	110	0.78
8,583	NetEase .....	143	1.01
59,195	Ping An Bank .....	75	0.53
32,626	Ping An Insurance of China .....	153	1.08
13,589	Tencent .....	435	3.06
8,471	Tencent Music Entertainment <sup>†</sup> .....	44	0.31
181,018	Uni-President China .....	104	0.73
26,364	Weifu High-Technology .....	27	0.19
49,569	Wuxi Biologics Cayman .....	236	1.66
		3,030	21.35
	<b>HONG KONG</b>		
451,903	Brilliance China Automotive .....	183	1.29
189,987	China Resources Cement .....	40	0.28
10,654	China Resources Land .....	35	0.25
74,623	COSCO SHIPPING Ports .....	40	0.28
57,567	Health & Happiness H&H International .....	58	0.41
31,668	Techtronic Industries .....	252	1.78
		608	4.29
	<b>INDIA</b>		
4,730	ACC .....	94	0.66
1,600	Bajaj & Investment .....	112	0.79
77,427	Federal Bank .....	112	0.79
16,935	HDFC Bank .....	255	1.80
10,270	Hindalco Industries .....	50	0.35
84,514	ICICI Bank .....	794	5.60
13,799	Infosys .....	195	1.37
14,655	One 97 Communications .....	124	0.87
4,678	PB Fintech .....	35	0.25
93,788	Zomato .....	94	0.66
		1,865	13.14

# FTF Templeton Global Emerging Markets Fund

## PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>INDONESIA</b>			
326,055	Astra International .....	108	0.76
<b>PHILIPPINES</b>			
17,921	BDO Unibank .....	37	0.26
<b>SOUTH KOREA</b>			
4,236	Doosan Bobcat .....	131	0.92
4,173	Fila .....	91	0.64
372	Hankook Tire & Technology .....	9	0.06
7,984	KT Skylife .....	29	0.20
263	L&F .....	28	0.20
3,761	LegoChem Biosciences .....	85	0.60
7,514	LG .....	382	2.69
153	LG Chem .....	46	0.32
3,835	NAVER .....	469	3.31
19,209	Samsung Electronics .....	798	5.62
8,809	Samsung Life Insurance .....	376	2.65
746	Samsung SDI .....	232	1.64
1,176	Soulbrain .....	163	1.15
		2,839	20.00
<b>TAIWAN</b>			
54,806	Hon Hai Precision Industry .....	144	1.01
17,760	MediaTek .....	331	2.33
98,744	Taiwan Semiconductor Manufacturing .....	1,308	9.22
7,199	Yageo .....	96	0.68
		1,879	13.24
<b>THAILAND</b>			
64,973	Kasikornbank .....	184	1.30
41,859	Kiatnakin Phatra Bank .....	52	0.37
240,564	Star Petroleum Refining .....	49	0.34
193,275	Thai Beverage .....	66	0.46
		351	2.47
	TOTAL - ASIA	10,742	75.69
<b>CENTRAL AMERICA 1.98% (1.85%)</b>			
<b>MEXICO</b>			
37,186	Grupo Financiero Banorte .....	256	1.80
157,969	Nemak .....	25	0.18
		281	1.98
	TOTAL - CENTRAL AMERICA	281	1.98
<b>EUROPE - NON EU 0.00% (0.00%)</b>			
<b>RUSSIA</b>			
14,020	LUKOIL <sup>1,*</sup> .....	-	0.00
173,460	Sberbank of Russia <sup>1,*</sup> .....	-	0.00
		-	0.00
	TOTAL - EUROPE - NON EU	-	0.00
<b>EUROPE - OTHER EU 4.35% (3.78%)</b>			
<b>HUNGARY</b>			
8,529	Richter Gedeon Nyrt .....	170	1.20
3,137	Wizz Air .....	60	0.42
		230	1.62
<b>NETHERLANDS</b>			
15,991	Prosus .....	387	2.73
	TOTAL - EUROPE - OTHER EU	617	4.35

# FTF Templeton Global Emerging Markets Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>MIDDLE EAST 0.53% (0.46%)</b>		
	<b>UNITED ARAB EMIRATES</b>		
178,884	Emirates Central Cooling Systems .....	75	0.53
	TOTAL - MIDDLE EAST	75	0.53
	<b>NORTH AMERICA 3.25% (3.31%)</b>		
	<b>UNITED STATES OF AMERICA</b>		
4,065	Cognizant Technology Solutions .....	226	1.59
7,966	Genpact .....	236	1.66
		462	3.25
	TOTAL - NORTH AMERICA	462	3.25
	<b>SOUTH AMERICA 10.03% (8.64%)</b>		
	<b>BRAZIL</b>		
108,681	Banco Bradesco <sup>†</sup> .....	253	1.78
62,756	Itau Unibanco <sup>†</sup> .....	276	1.95
78,911	Petroleo Brasileiro .....	447	3.15
9,010	TOTVS .....	40	0.28
19,237	Vale .....	212	1.49
		1,228	8.65
	<b>CHILE</b>		
8,901	Banco Santander Chile <sup>†</sup> .....	134	0.95
	<b>PERU</b>		
3,292	Intercorp Financial Services .....	61	0.43
	TOTAL - SOUTH AMERICA	1,423	10.03
	<b>UNITED KINGDOM 1.25% (1.57%)</b>		
4,387	Unilever .....	178	1.25
	TOTAL - UNITED KINGDOM	178	1.25
	TOTAL - EQUITIES	13,883	97.82
	<b>TOTAL VALUE OF INVESTMENTS</b> .....	<b>13,883</b>	<b>97.82</b>
	<b>OTHER ASSETS</b> .....	<b>310</b>	<b>2.18</b>
	<b>TOTAL NET ASSETS</b> .....	<b>14,193</b>	<b>100.00</b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

<sup>1</sup> These securities are fair valued by the manager.

<sup>†</sup> American Depositary Receipt.

\* All companies included in this country are valued at zero.

# FTF Templeton Global Emerging Markets Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	<u>30 September 2023</u>	<u>30 September 2023</u>	<u>30 September 2022</u>	<u>30 September 2022</u>
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(175)		(2,537)
Revenue	304		661	
Expenses	(73)		(85)	
Interest payable and similar charges	-		-	
Net revenue before taxation	231		576	
Taxation	(50)		11	
Net revenue after taxation		181		587
<b>Total return before distributions</b>		<b>6</b>		<b>(1,950)</b>
Distributions		-		-
<b>Change in net assets attributable to shareholders</b>		<b>6</b>		<b>(1,950)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	<u>30 September 2023</u>	<u>30 September 2023</u>	<u>30 September 2022</u>	<u>30 September 2022</u>
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>14,852</b>		<b>30,850</b>
Amounts received on creation of shares	389		292	
Amounts paid on cancellation of shares	(1,054)		(15,416)	
		(665)		(15,124)
Dilution adjustment		-		28
Change in net assets attributable to shareholders from investment activities (see above)		6		(1,950)
Retained distribution on accumulation shares		-		-
<b>Closing net assets attributable to shareholders</b>		<b>14,193</b>		<b>13,804</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	<u>30 September 2023</u>	<u>31 March 2023</u>
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	13,883	14,416
Current assets		
Debtors	87	223
Cash and bank balances	377	474
Total assets	14,347	15,113
<b>Liabilities</b>		
Creditors		
Bank overdrafts	-	(27)
Other creditors	(154)	(234)
Total liabilities	(154)	(261)
<b>Net assets attributable to shareholders</b>	<b>14,193</b>	<b>14,852</b>

# FTF Templeton Global Leaders Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value by more than the MSCI All Country World (Net Dividends) Index over a five-year period after all fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund will invest at least two thirds (but typically significantly more) in the shares of a range of companies anywhere in the world that the Fund's portfolio management team regard as established leaders. These are companies with dominant market positions, strong competitive advantages, high quality management, solid balance sheets, and positive returns on capital in growing industries that show potential to deliver sustainable growth over the long term (5 years) than their market price would suggest. This includes how growth may be affected by environmental, social or governance risks and opportunities.

The Fund will also invest in companies that the Fund's portfolio management team believe are emerging leaders, these are companies that are in earlier stages of growth that the team believe will become established leaders over time. No more than 30% of the Fund's total value will typically be invested in shares of companies that the Fund's portfolio management team consider to be emerging leaders.

Typically, the number of holdings in the Fund will vary between 25-35 companies' shares but the Fund may hold up to 50 companies' shares. These holdings will typically be the shares of companies that have a market capitalisation of over \$10bn. However, the Fund may also invest in companies with market capitalisations of between \$1bn and \$10bn.

The Fund's portfolio may include some overlap with the MSCI All Countries World (Net Dividends) Index but does not intend to replicate it and may vary considerably. It seeks to manage risk by avoiding any unintentional emphasis on a single company, industry or country.

In addition, the Fund may also invest a proportion of its portfolio in other transferable securities including fixed interest and other debt related securities, cash and cash equivalents, money market instruments, and other collective investment schemes.

The Fund uses derivatives for efficient portfolio management (managing the Fund in a way that is designed to reduce risk or cost and/or generate extra income or growth, within the Fund's existing risk profile), as well as for more speculative investment purposes, to help achieve the Fund's investment objective. It is anticipated that where the Fund uses derivatives for speculative purposes, this will be limited to part of the overall strategy.

Derivatives are financial contracts whose value is linked to the price of another asset (e.g. indices, interest rates, share prices or currencies). These derivatives include, but are not limited to, futures, currency forwards and options.

# FTF Templeton Global Leaders Fund

## INVESTMENT REVIEW

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### PERFORMANCE

For the six months ended 30 September 2023, the FTF Templeton Global Leaders Fund (W Accumulation) returned 5.12%, whilst its benchmark — the MSCI All Country World (Net Dividends) Index — returned 3.90%, both in UK-sterling terms.

### OVERVIEW

In broad terms, global equities collectively rose during the six months ended 30 September 2023. Turmoil that occurred in the banking industry during March had calmed by the early part of the period, despite the takeover of a mid-sized US bank by authorities in May. Financial market concern then turned to the negotiations around the US debt ceiling, with worries intensifying in May amidst uncertainty over whether a deal would be reached before the US Treasury Department ran out of money; ultimately, the debt limit was suspended until January 2025. Despite these concerns, global equities benefitted during most of the period's first four months from generally easing inflation rates and resilient economic growth in major developed markets, along with investor optimism about a potential end to central bank rate hikes. However, investor risk appetite soured during the period's final two months as it became clear that key central banks like the US Federal Reserve (Fed) intended to hold interest rates higher for longer. Rising sovereign bond yields and energy prices as well as China's property market crisis further weighed on financial markets. On the economic front, global manufacturing activity continued contracting during the six-month period, whilst global services activity expanded at the slowest pace in eight months.

US stocks generally rose during the six-month period as the gains in the period's first four months overcame losses in the last two months. Better-than-expected corporate earnings reports, the suspension of the debt ceiling, subsiding concerns about US regional banks, enthusiasm for artificial intelligence (AI), resilient economic growth, and hopes for an end to the Fed's campaign of interest-rate hikes bolstered US stocks in April through July. However, US stocks fell during August and September amidst a significant rise in US Treasury yields as the Fed indicated it would keep interest rates higher for longer than investors had previously expected. The Fed raised the federal funds target rate in May, left it unchanged in June, and raised it in July to the highest level since 2001 before pausing again in September. In August, the core personal consumption expenditures price index—the Fed's preferred inflation gauge—reached the lowest level since May 2021 but remained significantly higher than the Fed's 2.0% long-run inflation target. US gross domestic product (GDP) growth moderated in the second quarter, whilst recent employment reports have indicated a cooling but resilient labour market. Meanwhile, US manufacturing activity remained in contraction during the six-month period, whilst services activity continued to expand.

European stocks collectively fell during the six-month period. In the period's first four months, the region's stocks advanced amidst the banking industry's stabilisation, the region's generally cooling inflation and resilient GDP growth, as well as investors' hopes for a pause in interest-rate increases from the European Central Bank (ECB). Later in the period, however, concerns about weaker monthly economic data in Europe, the potential effects of China's economic slowdown on European companies, possible further rate hikes by the ECB, surging oil prices and higher sovereign bond yields pressured the region's stocks. In the second quarter, GDP grew sequentially in the eurozone at a modest pace. The currency bloc's manufacturing activity contracted sharply during the six-month period, whilst its services activity contracted in August and September after expanding for seven consecutive months. The ECB raised its key refinancing rate four times during the period to reach the highest level since 2001. Elsewhere in Europe, the United Kingdom's GDP expansion moderated sequentially in the second quarter and manufacturing activity continued to contract during the period, whilst services activity contracted in August and September. The Bank of England increased its key rate in May, June and August to the highest level since 2008 but paused in September.

In Asia, stocks declined overall for the six-month period. The region's stocks performed well in the period's first four months amidst investor enthusiasm for technology-related stocks, expectations for slower rate hikes or a pause by key developed market central banks, and optimism about additional stimulus from the Chinese government. However, Asian stocks fell during the rest of the period as investors worried about China's weaker economic growth and troubled property market, along with higher global sovereign bond yields and energy prices. China's GDP grew at a slower rate sequentially in the second quarter. The country's manufacturing activity contracted in April and July but expanded in May, June, August and September. In June, the People's Bank of China (PBoC) cut the one-year loan prime rate (LPR) and the five-year LPR. In August, the PBoC reduced its short- and medium-term rates; additionally, it lowered the one-year LPR to a record-low. Elsewhere in Asia, Japan's GDP grew in the second quarter at a faster sequential rate. The country's manufacturing activity returned to growth in May after contracting for the previous six months but contracted again from June through September, whilst its services activity continued to expand during the period. As of its September meeting, the Bank of Japan (BoJ) held both its benchmark interest rate and 10-year Japanese government bond yield band unchanged.

### SIGNIFICANT CHANGES

During the six months under review, the Fund's top five purchases (by monetary value of transactions) were Bayer AG, Thermo Fisher Scientific, Union Pacific, Intercontinental Exchange and INPEX. All five positions were newly initiated during the period, as we continued our efforts to add undervalued quality and growth names to the portfolio.

In contrast, the top five sales during the period were T-Mobile, Westinghouse Airbrake Technologies (Wabtec), AstraZeneca, INPEX and Keyence. With these positions becoming fairly valued or showing weaker risk-reward, we have fully exited all five stocks mostly at a profit. This in turn allowed us to rotate capital to other high-conviction companies or sectors with more favourable valuations.

# FTF Templeton Global Leaders Fund

## INVESTMENT REVIEW *(Continued)*

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For more information on our portfolio positioning and stock selection, please see the sections below.

### POSITIVE/NEGATIVE CONTRIBUTORS

The Fund outperformed its benchmark over the six months ended 30 September 2023, when stock selection in the industrials and consumer discretionary sectors contributed to relative return; a lack of exposure to the real estate sector also helped.

The top three contributing stocks during the period were Rolls-Royce from the industrials sector, Alphabet in the communication services sector and Amazon.com in the consumer discretionary sector. These are amongst the portfolio's top 10 holdings and our strong conviction remains well supported. Shares of jet engine maker Rolls-Royce took off in late July when it upgraded its full-year guidance. We continue to favour the company as a beneficiary of the post-pandemic recovery of international travel demand despite the global economic slowdown, whilst the maturation of its XWB engine programme should further drive earnings and cash flow growth. Meanwhile, we made various adjustments to our industrials exposure, exiting Wabtec, Equifax and Vestas Wind Systems whilst adding to Schneider Electric and initiating a new position in Union Pacific. Valuations were a key reason behind these decisions, which should also help reduce our cyclical risk exposure and sharpen our focus on companies with better growth outlook. Overall, we remain slightly overweight in the industrials sector.

Google owner Alphabet and Amazon were amongst the beneficiaries of the tech sector rally during the period, which was triggered by market excitement over the growth prospects surrounding AI. Our views remain positive. Alphabet stands out with its dominant position in digital advertising and earnings upside driven by cloud; we also believe Alphabet is well positioned in the AI race following years of sustained investments, which are now benefitting its search and cloud offerings. As for Amazon, our largest position by portfolio weighting—we like the company for its ability to sustain earnings growth given the efficiency gains and the ongoing shift in business mix towards higher-margin market segments, particularly the cloud-related Amazon Web Services.

Also amongst the leading contributors were Asics in the consumer discretionary sector and INPEX in the energy sector. Part of our Japanese holdings, these stocks performed particularly well during the July-September quarter but slid in late September as macro concerns triggered some profit-taking in the Japanese market. We have exited INPEX following its significant year-to-date gain whilst switching some capital to other high-quality commodities stocks that we think are more favourably valued. Asics remains our largest Japanese position. In our view, the sporting goods giant continues to see sales and margin improvement, validating its strategies and execution as it aims for further growth in key overseas markets including China, the US and Europe. More broadly, Japan was the top contributing market in terms of relative gain during the period under review. We stay overweighted in Japan, an undervalued market that beckons with potential of improving shareholder return through corporate governance reforms, whilst the domestic economy continues to ride the growth tailwinds arising from sustained inflation, wage growth and accommodative monetary policies.

In contrast, stock selection in the health care, financials and information technology sectors detracted from relative performance. The top three detracting stocks were Target from the consumer staples sector, as well as Bayer AG and Zimmer Biomet from the health care sector.

With interest rate concerns broadly affecting growth stocks during the third quarter, several of our selected health care stocks—including Bayer AG and Zimmer Biomet—also declined. We have made various adjustments to our health care portfolio during the quarter, trimming the Zimmer Biomet position and exiting AstraZeneca. Nonetheless, we stay overweighted in the health care sector for its strong free cash flow generation, reasonable valuations and robust earnings growth supported by visible near-term catalysts as well as secular drivers. Within the sector, our focus is on the life sciences and health care services segment, which we view as the more resilient part of the health care value chain. This was reflected by the additions of Bayer AG and Thermo Fisher Scientific to the portfolio during the six months under review, and we have further built up these positions in the July-September quarter.

The volatility during the third quarter also impacted the information technology sector, with multiple tech-related stocks experiencing pullback from their year-to-date rally. As a result, the performance of our semiconductor positions was mixed. Infineon Technologies was one of the top detracting stocks in the third quarter; Taiwan Semiconductor Manufacturing also dragged, but Applied Materials contributed a relative gain. The semiconductors industry encompasses chip producers as well as providers of tools and services required for chip manufacturing. As a whole, the industry is the portfolio's largest in terms of weighting, and we stay invested on this front. Our selected stocks are critical enablers of digitalisation trends, such as cloud, automation and vehicle electrification. In addition to the long-term structural tailwinds, the chip industry should see tech demand recovery and the easing of inventory issues accelerate entering 2024.

### OUTLOOK

Having endured the worst month and quarter of the year so far, the market will likely experience further volatility ahead as investors continue to digest the prospect of higher-for-longer interest rates and surging US Treasury yields. For us, the current market conditions present neither a surprise nor setback. Since last year, it has been our consistent view that the era of loose monetary policies has ended. The new normal of tighter financial conditions and economic slowdown will test a company's fundamentals, as well as its ability to sustain free cash flows, earnings growth and margin improvement. In our view, these are also the kind of companies that the Fund—with its focus on quality and growth within the value-investing spectrum—is positioned to identify.

# FTF Templeton Global Leaders Fund

## INVESTMENT REVIEW *(Continued)*

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Importantly, our quality focus should position the Fund well against the uncertainties ahead, including concerns of rising bond yields. As of end-September, the Fund had an earnings yield of around 5.4%, broadly in line with the return of US high-quality corporate bonds over the next 12 months. As our portfolio of high-quality companies continue to grow earnings, pay dividends and buy back shares, the Fund may see its expected earnings yield increase to around 7.0% by 2026 and close to 10.0% by 2028, by our estimates. That, in our view, should offer a significant buffer against any challenging market conditions that may appear.

As we previously communicated, the market volatility of 2022 provided us with what we believe to be a once-in-a-decade opportunity to access quality stocks that were previously too expensive versus our valuation discipline. These efforts continue in 2023. Whilst such opportunities are now harder to come by amidst the currently elevated valuations, we believe there are still compelling companies left behind by the rally. One example is Persimmon. The UK's second largest homebuilder was recently added to the portfolio as we deem its valuation attractive, relative to its market leadership, impressive operating metrics and best-in-class margins. This new position also reflects our search for classic value opportunities in the small and mid-cap space, which should complement our quality and growth focus as the valuation spread between the two value types continue to widen.

Meanwhile, we view favourably our technology-related exposures. Despite the recent market corrections, we stay slightly overweighted in information technology and the sector remains the Fund's largest by weighting. Within our preferred segments—semiconductors and software—we believe our selected stocks are well poised to weather cyclical headwinds. Importantly, AI is gradually shifting from being a talking point to becoming a tangible growth driver. Our recent conversations on the ground have affirmed our view that the pace of adoption and monetisation of AI is accelerating, and it may start feeding into revenue growth for some of our portfolio holdings in 2024. Whilst we are unlikely to significantly add to our overweighted positions, we stay constructive and will be ready to invest further if the current volatility shifts these stocks to better valuations.

**Peter Sartori, Warren Pustam, CFA, Alan Chua, CFA & Ferdinand Cheuk, CFA**

Fund Managers

30 September 2023

# FTF Templeton Global Leaders Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>W – Accumulation shares</u>	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	310.69	319.30	293.87	208.39
Return before operating charges <sup>1</sup>	14.28	(6.29)	27.89	87.78
Operating charges <sup>2</sup>	(1.28)	(2.32)	(2.46)	(2.30)
Return after operating charges <sup>3</sup>	13.00	(8.61)	25.43	85.48
Distributions	(2.29)	(1.73)	(0.75)	(3.87)
Retained distributions on accumulation shares	2.29	1.73	0.75	3.87
Closing net asset value per share	323.69	310.69	319.30	293.87
After direct transaction costs of <sup>4</sup>	(0.12)	(0.25)	(0.58)	(0.36)
<b>Performance</b>				
Return after charges <sup>5</sup>	4.18%	(2.70)%	8.65%	41.02%
<b>Other information</b>				
Closing net asset value (£)	30,519,639	32,623,425	34,960,483	17,246,288
Closing number of shares	9,428,585	10,500,356	10,948,950	5,868,642
Operating charges ratio <sup>6</sup>	0.80%	0.79%	0.80%	0.88%
Direct transaction costs <sup>4</sup>	0.04%	0.09%	0.14%	0.14%
<b>Prices (p)</b>				
Highest share price	336.93	316.96	325.53	302.26
Lowest share price	304.55	273.66	288.81	202.21

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

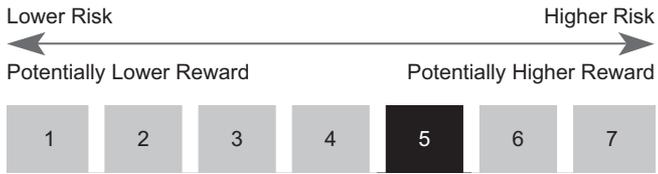
5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

# FTF Templeton Global Leaders Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Templeton Global Leaders Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 95.87% (92.69%)</b>		
	<b>ASIA 15.24% (16.00%)</b>		
	<b>INDIA</b>		
21,695	Reliance Industries <sup>^</sup> .....	994	3.25
	<b>JAPAN</b>		
34,400	Asics.....	986	3.23
31,545	KDDI.....	792	2.59
4,900	Shimano.....	542	1.78
4,927	Tokyo Electron .....	552	1.81
		<u>2,872</u>	<u>9.41</u>
	<b>TAIWAN</b>		
59,424	Taiwan Semiconductor Manufacturing .....	787	2.58
	TOTAL - ASIA	<u>4,653</u>	<u>15.24</u>
	<b>EUROPE - NON EU 0.00% (1.06%)</b>		
	<b>EUROPE - OTHER EU 16.70% (16.65%)</b>		
	<b>FRANCE</b>		
9,378	Schneider Electric.....	1,277	4.18
2,734	SOITEC.....	374	1.23
		<u>1,651</u>	<u>5.41</u>
	<b>GERMANY</b>		
22,501	Bayer.....	888	2.91
20,304	Infineon Technologies .....	552	1.81
7,647	SAP.....	814	2.66
		<u>2,254</u>	<u>7.38</u>
	<b>IRELAND</b>		
5,909	ICON .....	1,192	3.91
	TOTAL - EUROPE - OTHER EU	<u>5,097</u>	<u>16.70</u>
	<b>NORTH AMERICA 55.80% (49.30%)</b>		
	<b>UNITED STATES OF AMERICA</b>		
4,339	Albemarle .....	605	1.98
17,153	Alphabet.....	1,838	6.02
17,733	Amazon.com .....	1,847	6.05
4,588	American Express.....	561	1.84
6,585	Applied Materials .....	747	2.45
483	Booking.com.....	1,221	4.00
10,664	Colgate-Palmolive.....	621	2.04
15,232	Freeport-McMoRan .....	466	1.53
2,819	HCA Healthcare .....	568	1.86
8,435	Intercontinental Exchange .....	760	2.49
33,270	Kenvue.....	547	1.79
7,378	Micron Technology .....	411	1.35
5,837	Microsoft.....	1,510	4.95
4,341	Salesforce.....	721	2.36
7,450	Target .....	675	2.21
1,818	Thermo Fisher Scientific.....	754	2.47
4,993	Union Pacific .....	833	2.73
2,757	UnitedHealth.....	1,139	3.73
3,893	Visa.....	734	2.41
5,117	Zimmer Biomet.....	471	1.54
		<u>17,029</u>	<u>55.80</u>
	TOTAL - NORTH AMERICA	<u>17,029</u>	<u>55.80</u>

## FTF Templeton Global Leaders Fund

### PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>UNITED KINGDOM 8.13% (9.68%)</b>		
28,438	Persimmon.....	306	1.00
828,322	Rolls-Royce.....	1,830	6.00
21,341	SSE.....	344	1.13
	<b>TOTAL - UNITED KINGDOM</b>	<b>2,480</b>	<b>8.13</b>
	<b>TOTAL - EQUITIES</b>	<b>29,259</b>	<b>95.87</b>
	<b>CERTIFICATE OF DEPOSITS 3.93% (7.05%)</b>		
1,200,000	Royal Bank Of Canada 5.18, 5.180%, 02/10/2023.....	1,200	3.93
	<b>TOTAL VALUE OF INVESTMENTS</b>	<b>30,459</b>	<b>99.80</b>
	<b>OTHER ASSETS</b>	<b>61</b>	<b>0.20</b>
	<b>TOTAL NET ASSETS</b>	<b>30,520</b>	<b>100.00</b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

<sup>^</sup> Global Depository Receipt.

# FTF Templeton Global Leaders Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022
	£000	£000	£000	£000
<b>Income</b>				
Net capital gains/(losses)		1,059		(4,380)
Revenue	389		285	
Expenses	(125)		(131)	
Interest payable and similar charges	-		-	
Net revenue before taxation	264		154	
Taxation	(41)		(20)	
Net revenue after taxation		223		134
<b>Total return before distributions</b>		<b>1,282</b>		<b>(4,246)</b>
Distributions		(223)		(133)
<b>Change in net assets attributable to shareholders</b>		<b>1,059</b>		<b>(4,379)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>32,623</b>		<b>34,960</b>
Amounts received on creation of shares	229		102	
Amounts paid on cancellation of shares	(3,607)		(697)	
		(3,378)		(595)
Change in net assets attributable to shareholders from investment activities (see above)		1,059		(4,379)
Retained distribution on accumulation shares		216		133
<b>Closing net assets attributable to shareholders</b>		<b>30,520</b>		<b>30,119</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	30,459	32,538
Current assets		
Debtors	114	43
Cash and bank balances	147	96
Total assets	30,720	32,677
<b>Liabilities</b>		
Creditors		
Other creditors	(200)	(54)
Total liabilities	(200)	(54)
<b>Net assets attributable to shareholders</b>	<b>30,520</b>	<b>32,623</b>

# FTF Templeton Global Leaders Fund

## DISTRIBUTION TABLES For the period 1 April 2023 to 30 September 2023

### For the period 1 April 2023 to 30 September 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased in the period 1 April 2023 to 30 September 2023

	Net Income	Equalisation	30 September 2023 Pence per Share	30 September 2022 Pence per Share
	p	p	p	p
<b>W Accumulation Shares</b>				
Group 1	2.2869	-	2.2869	1.2368
Group 2	1.2660	1.0209	2.2869	1.2368

### Equalisation

All shareholders, within each share category, receive the same distribution per share, although the distribution to shareholders who purchased shares during the distribution period (Group 2 holdings) contains an element of equalisation which is a repayment, at an average rate per share, of the amount of accrued net income which was included in the purchase price of such shares. As the nature of this payment is capital it is not subject to income tax but must be deducted from the purchase price in any capital gains tax computation on the sale of the shares.

# FTF Templeton Global Total Return Bond Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value from a combination of income, capital growth and currency gains over a three to five-year period.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund intends to achieve its objective by investing at least two thirds (but typically significantly more) in:

- debt securities or bonds, (a type of debt obligation) issued by governments, government-related, supranational organisations and corporations in any industry, anywhere in the world. As part of this asset class, the Fund may invest in bonds issued by the Chinese government, Chinese government-related or supranational organisations and Chinese corporations.
- derivatives, investments whose value is linked to another investment or the performance of another variable factor, such as interest rates, currencies of any country or indices. The types of derivatives used include but are not limited to: options, futures, forward currency contracts, credit default swaps, interest rate swaps, total return swaps and contracts for difference.

The Fund will typically limit exposure to bonds that are rated as below investment grade (below BBB- by Standard & Poor's or Baa3 by Moody's) to no more than 50% of the total portfolio. These bonds generally pay a high yield (interest rate) but are considered by rating agencies to be lower quality and carry more risk than investment grade bonds.

The Fund can also invest in distressed securities (those whose issuers may be in or close to bankruptcy or administration), but still present diverse opportunities to grow in value.

To a lesser extent the Fund may also invest in:

- bonds whose value is secured by mortgages or other assets (mortgage or asset-backed securities);
- bonds that can be exchanged for shares in the same organisation (convertibles);
- structured products (a type of fixed-term investment whose payout depends on the performance of something else, such as another security or currency);
- other transferable securities, cash and cash equivalents, money market instruments, and other collective investment schemes.

The Fund's managers have the freedom to choose securities that their research indicates have the strongest potential to meet the Fund's objective. They are not constrained by any index.

# FTF Templeton Global Total Return Bond Fund

## INVESTMENT REVIEW

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### PERFORMANCE

For the six-month period ended 30 September 2023, the FTF Templeton Global Total Return Bond Fund (W (Accumulation) - H3 shares) returned -4.04% (in UK sterling), while the benchmark Bloomberg Multiverse Index returned -4.80% (in US dollars).

### OVERVIEW

Turmoil that occurred in the banking industry during March 2023 had calmed by the early part of the six-month review period, although the takeover of a mid-sized US bank was facilitated by authorities on 1 May. Financial market concern then turned to the negotiations around the US debt ceiling, with concerns intensifying in May amidst uncertainty over whether a deal would be reached before the US Treasury Department ran out of money, with early June estimates for that "X-date". Ultimately the US Congress passed a bill to suspend the debt limit until January 2025, and it was signed into law by President Biden on 3 June. As fears over these two issues were allayed, market focus turned back towards global economic outcomes, particularly the evolution of the monetary policy cycle across central banks.

Inflation rates in many countries benefitted from the continued generally softer trend in food and energy inflation over the past six months and generally continued retreating from the multi-year highs that had been reached during 2022. Core inflation measures, which usually exclude volatile food and energy prices, have been stickier due to services prices, but they too appear to be mostly moving in the right direction. Although inflation remains above target levels across a range of countries and regions, annual headline inflation rates in many developed markets continued to fall quite sharply over the six months under review. US headline consumer inflation had reached 3.7% year-over-year by August, from highs around 9% in 2022, while euro area inflation had retreated to an estimated 4.3% year-over-year by September (compared with a 2022 high of 10.6%). Annual inflation rates in other developed markets, as well as emerging markets, also mostly appear to have peaked. Japan is a notable exception to these softening trends, where after years of quite low inflation or deflation, higher inflation seems to be taking hold.

On the monetary policy front, the six-month period under review was largely marked by a continued deceleration in the pace of interest-rate hikes amongst developed market central banks, along with pausing and even some easing in emerging markets. During the period, the US Federal Reserve ("Fed") raised the federal funds target rate by a total of 50 basis points ("bps") to a range of 5.25%–5.50%, while pausing at two of its meetings. The European Central Bank raised rates by a total of 100 bps to 4.50%, in steady 25-bp increments at each of its four meetings. Other developed market central banks also generally remained in a rate-hiking cycle during the period. By contrast, many emerging market central banks had clearly reached the end of their hiking cycles, and while many have simply paused, some have already started reducing rates.

After moving broadly sideways during much of the period, the US dollar ("USD") gained ground later so that overall, the DXY dollar index rose by 3.6% by September-end. Most currencies weakened against the USD over the period, with the notable exception of the Colombian peso, which appreciated by 14.1% against it. Amongst major developed market currencies, the euro depreciated by 2.5% against the USD, UK sterling by 1.1% and the Japanese yen by 11.2%.

Most sovereign bond yields rose over the six months under review, though a handful of emerging market bond yields declined. Over the period, the yield on the 10-year US Treasury note rose by 110 bps to end September at 4.57%, while the yield on the 10-year German Bund rose 55 bps to 2.84%. Bond yields rose relatively sharply in other developed markets, including the United Kingdom (95 bps), Norway (92 bps), Australia (119 bps), New Zealand (111 bps) and Canada (113 bps). Ten-year Japanese government bond ("JGB") yields rose by 43 bps over the period to 0.76%, following the Bank of Japan's decision to use greater flexibility in the measures it has been taking to control the yield of JGBs.

The global growth outlook still seems to be fairly tepid, although it appears prior fears of worst-case outcomes have been avoided. Global growth indicators have been softening somewhat, though most countries still seem to be on track for positive growth rates this year. The International Monetary Fund ("IMF") projected global growth at 3.0% for both 2023 and 2024 in its July World Economic Outlook. Although growth indicators have been slowing across the developed world, and the IMF forecasts growth around a modest 1.5% both this year and the next for advanced economies, there are still pockets of resilience. Notably, across the United States, the euro area and Japan, unemployment rates are still at or near multi-year lows. Emerging and developing economies are projected to grow around 4% this year and the next. Within that, emerging Asia remains a particularly bright spot, with the IMF forecasting growth of 5.3% in 2023 and 5.0% in 2024 for this region. In China, where the post-COVID reopening recovery has been disappointing, the authorities announced a raft of measures during recent months to loosen monetary policy and support various sectors, including the real estate sector, in an effort to stimulate the economy.

# FTF Templeton Global Total Return Bond Fund

## INVESTMENT REVIEW *(Continued)*

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### SIGNIFICANT CHANGES

The top five buys during the six-month period were:

- Japan Treasury Discount Bill, 0.000%, 20/02/2024
- United States Treasury Bonds, 3.625%, 15/08/2043
- Brazil Notas do Tesouro Nacional Serie F, 10.000%, 01/01/2029
- Japan Treasury Discount Bill, 0.000%, 20/09/2023
- Indonesia Treasury Bond, 8.375%, 15/03/2034

The top five sells during the six-month period were:

- Japan Treasury Discount Bill, 0.000%, 20/09/2023
- United States Treasury Note/Bond, 4.500%, 30/11/2024
- Indonesia Treasury Bond, 5.500%, 15/04/2026
- Brazil Letras do Tesouro Nacional, 0.000%, 01/01/2025
- Korea Treasury Bond, 0.875%, 10/12/2023

### POSITIVE/NEGATIVE CONTRIBUTORS

For the six-month period ended 30 September 2023, overall credit exposures contributed to the Fund's relative performance, as did interest-rate strategies. Currency positions detracted from relative results.

Amongst credit exposures, the Fund's overweighted exposure to subinvestment-grade sovereign credits contributed to relative return.

The Fund maintained duration exposures primarily in select emerging markets, and also had duration exposures in select developed markets. Overweighted duration exposure in Brazil moderately contributed to relative performance, while overweighted duration exposure in Ghana detracted.

Amongst currencies, the Fund's overweighted position in the Japanese yen detracted from relative results, while its overweighted position in the Colombian peso contributed.

### OUTLOOK

We broadly expect inflation to decline further over the remainder of 2023 and into 2024, although it is still expected to generally remain above inflation targets. Inflation drivers across regions can and do differ, and we continue to closely monitor individual inflation drivers and outcomes in different regions and countries.

The global growth outlook is, in our view, fairly tepid. Tighter financial conditions have been observed in both the US and Europe, and the latest US Fed's Senior Loan Officer Opinion Survey indicates further tightening is expected over the remainder of the year. Moreover, there is some softening in labour markets (although they remain resilient overall), and manufacturing purchasing managers' indices generally remain in contractionary territory (even with the better US performance in September).

We expect that the USD bull market that had been in place since mid-2021 will continue the unwinding that began in late 2022. Though the unwinding has been and is likely to remain uneven, we believe the USD is still at historically stretched levels against select developed and emerging market currencies and is set to move into a weaker range in due course.

On a regional basis, areas of Asia continue to stand out. Both Japan and China have started to see positive economic impacts from reopening, especially in demand for services. Emerging Asia is projected to have some of the strongest growth rates in the world in this year and the next, and we expect improving growth differentials versus the US to support select Asian currencies against the USD. Looking ahead, we expect Asia to remain an important driver of global growth.

Emerging market assets that had previously been priced for high inflation, and where central banks had been aggressive responders but hiking cycles have now peaked, should benefit from inflation and interest-rate cycles rolling over. This is particularly applicable to specific countries in Latin America, where strong commodity prices should also help bolster local-currency assets and currency valuations.

As the Russia-Ukraine war grinds on, there remains potential for risks to arise for global growth and financial markets. This was highlighted by the failure to renew the Black Sea grain agreement in July, which may keep concerns lingering about food prices. The path of the war and any future risk events arising from it remain uncertain, and we continue to closely monitor developments.

# FTF Templeton Global Total Return Bond Fund

## INVESTMENT REVIEW *(Continued)*

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We also continue to monitor other geopolitical risks, chief amongst them the deteriorating state of US-China relations, which have plumbed their worst depths in decades. The rest of Asia would likely be affected by an escalation of US-China tension and potential conflict in the region.

**Michael Hasenstab, PhD & Calvin Ho, PhD**

Fund Managers

30 September 2023

# FTF Templeton Global Total Return Bond Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>W – Accumulation shares</u>	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	99.27	105.34	101.95	116.59
Return before operating charges <sup>1</sup>	(2.14)	(5.35)	4.19	(13.74)
Operating charges <sup>2</sup>	(0.36)	(0.72)	(0.80)	(0.90)
Return after operating charges <sup>3</sup>	(2.50)	(6.07)	3.39	(14.64)
Distributions	(2.83)	(4.67)	(7.54)	(6.24)
Retained distributions on accumulation shares	2.83	4.67	7.54	6.24
Closing net asset value per share	96.77	99.27	105.34	101.95
After direct transaction costs of <sup>4</sup>	-	-	-	-
<b>Performance</b>				
Return after charges <sup>5</sup>	(2.52)%	(5.76)%	3.33%	(12.56)%
<b>Other information</b>				
Closing net asset value (£)	9,372,646	11,040,297	14,087,870	21,670,470
Closing number of shares	9,685,411	11,121,691	13,373,949	21,255,390
Operating charges ratio <sup>6</sup>	0.74%	0.71%	0.79%	0.79%
Direct transaction costs <sup>4</sup>	-	-	-	-
<b>Prices (p)</b>				
Highest share price	100.46	107.00	105.61	119.10
Lowest share price	94.77	95.20	100.82	101.77
<b>W – Accumulation H3 shares</b>				
	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	74.06	85.04	86.44	89.37
Return before operating charges <sup>1</sup>	(2.93)	(10.45)	(0.74)	(2.21)
Operating charges <sup>2</sup>	(0.27)	(0.53)	(0.66)	(0.72)
Return after operating charges <sup>3</sup>	(3.20)	(10.98)	(1.40)	(2.93)
Distributions	(2.14)	(3.57)	(6.22)	(5.01)
Retained distributions on accumulation shares	2.14	3.57	6.22	5.01
Closing net asset value per share	70.86	74.06	85.04	86.44
After direct transaction costs of <sup>4</sup>	-	-	-	-
<b>Performance</b>				
Return after charges <sup>5</sup>	(4.32)%	(12.91)%	(1.62)%	(3.28)%
<b>Other information</b>				
Closing net asset value (£)	9,789,919	10,631,211	11,056,867	3,139,230
Closing number of shares	13,815,273	14,355,810	13,001,358	3,631,585
Operating charges ratio <sup>6</sup>	0.74%	0.71%	0.79%	0.79%
Direct transaction costs <sup>4</sup>	-	-	-	-
<b>Prices (p)</b>				
Highest share price	77.46	86.31	90.56	89.89
Lowest share price	70.39	66.09	82.03	86.45

# FTF Templeton Global Total Return Bond Fund

## COMPARATIVE TABLES (Continued)

<u>W – Income shares</u>	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	59.78	66.51	69.26	83.95
Return before operating charges <sup>1</sup>	(1.27)	(3.37)	2.75	(9.65)
Operating charges <sup>2</sup>	(0.22)	(0.45)	(0.53)	(0.64)
Return after operating charges <sup>3</sup>	(1.49)	(3.82)	2.22	(10.29)
Distributions	(1.69)	(2.91)	(4.97)	(4.40)
Closing net asset value per share	56.60	59.78	66.51	69.26
After direct transaction costs of <sup>4</sup>	-	-	-	-
<b>Performance</b>				
Return after charges <sup>5</sup>	(2.49)%	(5.74)%	3.21%	(12.26)%
<b>Other information</b>				
Closing net asset value (£)	2,430,096	2,778,105	4,074,956	6,191,876
Closing number of shares	4,293,459	4,646,832	6,127,128	8,939,527
Operating charges ratio <sup>6</sup>	0.74%	0.71%	0.79%	0.79%
Direct transaction costs <sup>4</sup>	-	-	-	-
<b>Prices (p)</b>				
Highest share price	60.51	67.54	70.60	85.76
Lowest share price	56.30	58.65	64.68	70.40
<b>W – Income H3 shares</b>				
	<u>30 September 2023</u>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>
<b>Change in net assets per share (p)</b>				
Opening net asset value per share	50.20	60.40	66.20	72.75
Return before operating charges <sup>1</sup>	(1.93)	(7.43)	(0.54)	(2.00)
Operating charges <sup>2</sup>	(0.18)	(0.37)	(0.51)	(0.56)
Return after operating charges <sup>3</sup>	(2.11)	(7.80)	(1.05)	(2.56)
Distributions	(1.44)	(2.40)	(4.75)	(3.99)
Closing net asset value per share	46.65	50.20	60.40	66.20
After direct transaction costs of <sup>4</sup>	-	-	-	-
<b>Performance</b>				
Return after charges <sup>5</sup>	(4.20)%	(12.91)%	(1.59)%	(3.52)%
<b>Other information</b>				
Closing net asset value (£)	3,331,928	5,254,660	11,347,694	24,507,990
Closing number of shares	7,142,843	10,467,287	18,787,113	37,020,256
Operating charges ratio <sup>6</sup>	0.74%	0.72%	0.79%	0.79%
Direct transaction costs <sup>4</sup>	-	-	-	-
<b>Prices (p)</b>				
Highest share price	51.83	61.32	69.37	73.17
Lowest share price <sup>7</sup>	47.09	45.82	59.23	67.42

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

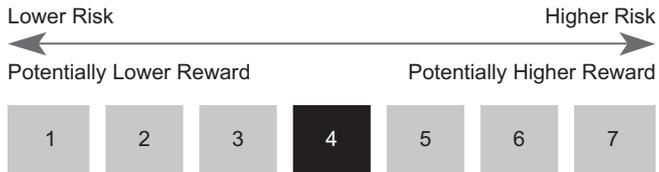
6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

7 The "closing net asset value per share" figure is based on the bid-market prices at close of business, whilst the highest/lowest share prices are based on mid dealing prices (the price at which shares are sold).

# FTF Templeton Global Total Return Bond Fund

## RISK PROFILE (W Income Shares) As at 30 September 2023

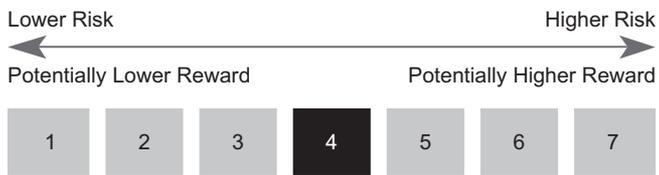
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This indicator has changed during the reporting period. The previous indicator for this share class up until 28 August 2023 was 5.

## RISK PROFILE (W Accumulation - H3 Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document ("KIID"), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the "Risk Factors" section of the current prospectus of Franklin Templeton Funds.

# FTF Templeton Global Total Return Bond Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 0.00% (0.00%)</b>		
	<b>AFRICA 0.00% (0.00%)</b>		
	<b>SOUTH AFRICA</b>		
60,579	K2016470219 South Africa Ltd. <sup>1</sup> .....	-	0.00
12,082,204	K2016470219 South Africa Ltd., A <sup>1</sup> .....	-	0.00
1,447,454	K2016470219 South Africa Ltd., B <sup>1</sup> .....	-	0.00
	TOTAL - AFRICA	-	0.00
	TOTAL - EQUITIES	-	0.00
	<b>BONDS 94.10% (92.54%)</b>		
	<b>AFRICA 4.38% (5.21%)</b>		
	<b>EGYPT</b>		
400,000	Egypt Government International Bond, 8.500%, 31/01/2047 .....	174	0.70
390,000	Egypt Government International Bond, 8.700%, 01/03/2049 .....	170	0.68
200,000	Egypt Government International Bond, 8.875%, 29/05/2050 .....	89	0.35
570,000	Egypt Government International Bond, 8.750%, 30/09/2051 .....	249	1.00
200,000	Egypt Government International Bond, 7.500%, 16/02/2061 .....	82	0.33
		<u>764</u>	<u>3.06</u>
	<b>GHANA</b>		
1,441,975	Republic of Ghana Government Bonds, 8.350%, 16/02/2027 .....	57	0.23
1,443,038	Republic of Ghana Government Bonds, 8.500%, 15/02/2028 .....	50	0.20
1,368,525	Republic of Ghana Government Bonds, 8.650%, 13/02/2029 .....	43	0.17
1,369,533	Republic of Ghana Government Bonds, 8.800%, 12/02/2030 .....	40	0.16
1,335,998	Republic of Ghana Government Bonds, 8.950%, 11/02/2031 .....	36	0.15
1,336,981	Republic of Ghana Government Bonds, 9.100%, 10/02/2032 .....	35	0.14
1,337,964	Republic of Ghana Government Bonds, 9.250%, 08/02/2033 .....	34	0.14
276,959	Republic of Ghana Government Bonds, 9.400%, 07/02/2034 .....	7	0.03
277,163	Republic of Ghana Government Bonds, 9.550%, 06/02/2035 .....	7	0.03
277,366	Republic of Ghana Government Bonds, 9.700%, 05/02/2036 .....	7	0.03
277,569	Republic of Ghana Government Bonds, 9.850%, 03/02/2037 .....	6	0.02
277,772	Republic of Ghana Government Bonds, 10.000%, 02/02/2038 .....	6	0.02
		<u>328</u>	<u>1.32</u>
	<b>SOUTH AFRICA</b>		
1,047,052	K2016470219 South Africa, 3.000%, 31/12/2022 <sup>1</sup> .....	-	0.00
523,181	K2016470219 South Africa, 8.000%, 31/12/2022 <sup>1</sup> .....	-	0.00
555,265	K2016470260 South Africa, 25.000%, 31/12/2022 <sup>1</sup> .....	-	0.00
	TOTAL - AFRICA	<u>1,092</u>	<u>4.38</u>
	<b>ASIA 40.78% (43.71%)</b>		
	<b>INDIA</b>		
87,690,000	India Government Bond, 7.260%, 22/08/2032 .....	864	3.47
	<b>INDONESIA</b>		
3,465,000,000	Indonesia Treasury Bond, 6.375%, 15/04/2032 .....	179	0.72
30,279,000,000	Indonesia Treasury Bond, 7.000%, 15/02/2033 .....	1,613	6.47
9,929,000,000	Indonesia Treasury Bond, 8.375%, 15/03/2034 .....	584	2.34
		<u>2,376</u>	<u>9.53</u>
	<b>JAPAN</b>		
33,200,000	Japan Treasury Discount Bill, 0.000%, 20/10/2023 .....	182	0.73
24,650,000	Japan Treasury Discount Bill, 0.000%, 20/11/2023 .....	136	0.55
299,100,000	Japan Treasury Discount Bill, 0.000%, 20/02/2024 .....	1,643	6.59
		<u>1,961</u>	<u>7.87</u>

# FTF Templeton Global Total Return Bond Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>MALAYSIA</b>			
2,030,000	Malaysia Government Bond, 3.478%, 14/06/2024 .....	355	1.42
1,220,000	Malaysia Government Bond, 4.181%, 15/07/2024 .....	214	0.86
1,500,000	Malaysia Government Bond, 4.059%, 30/09/2024 .....	264	1.06
1,320,000	Malaysia Government Bond, 3.882%, 14/03/2025 .....	232	0.93
507,000	Malaysia Government Bond, 3.955%, 15/09/2025 .....	89	0.36
860,000	Malaysia Government Bond, 3.900%, 30/11/2026 .....	151	0.61
30,000	Malaysia Government Bond, 3.892%, 15/03/2027 .....	5	0.02
210,000	Malaysia Government Bond, 3.502%, 31/05/2027 .....	36	0.14
7,110,000	Malaysia Government Bond, 3.899%, 16/11/2027 .....	1,250	5.02
		2,596	10.42
<b>MONGOLIA</b>			
350,000	Mongolia Government International Bond, 3.500%, 07/07/2027 .....	239	0.96
200,000	Mongolia Government International Bond, 4.450%, 07/07/2031 .....	126	0.50
		365	1.46
<b>PHILIPPINES</b>			
2,290,000,000	Asian Development Bank, 11.750%, 24/07/2024 .....	455	1.82
1,352,000,000	Asian Development Bank, 11.200%, 31/01/2025 .....	266	1.07
		721	2.89
<b>SRI LANKA</b>			
200,000	Sri Lanka Government International Bond, 6.750%, 18/04/2028* .....	76	0.30
200,000	Sri Lanka Government International Bond, 7.850%, 14/03/2029* .....	76	0.31
		152	0.61
<b>THAILAND</b>			
28,400,000	Thailand Government Bond, 0.750%, 17/09/2024 .....	629	2.52
23,680,000	Thailand Government Bond, 1.000%, 17/06/2027 .....	500	2.01
		1,129	4.53
	TOTAL - ASIA	10,164	40.78
<b>AUSTRALIA 3.99% (0.94%)</b>			
686,000	New South Wales Treasury, 2.000%, 08/03/2033 .....	281	1.13
112,000	New South Wales Treasury, 1.750%, 20/03/2034 .....	43	0.17
680,000	Queensland Treasury, 2.000%, 22/08/2033 .....	276	1.11
223,000	Queensland Treasury, 1.750%, 20/07/2034 .....	86	0.35
509,000	Treasury of Victoria, 2.250%, 15/09/2033 .....	210	0.84
244,000	Treasury of Victoria, 2.250%, 20/11/2034 .....	97	0.39
		993	3.99
	TOTAL - AUSTRALIA	993	3.99
<b>CENTRAL AMERICA 6.86% (5.69%)</b>			
<b>DOMINICAN REPUBLIC</b>			
160,000	Dominican Republic International Bond, 5.300%, 21/01/2041 .....	96	0.39
150,000	Dominican Republic International Bond, 6.400%, 05/06/2049 .....	97	0.39
490,000	Dominican Republic International Bond, 5.875%, 30/01/2060 .....	287	1.15
		480	1.93
<b>MEXICO</b>			
3,200,000	Mexican Bonos, 8.500%, 31/05/2029 .....	141	0.57
19,440,000	Mexican Bonos, 7.500%, 26/05/2033 .....	778	3.12
2,390,000	Mexican Bonos, 7.750%, 23/11/2034 .....	96	0.38
790,000	Mexican Bonos, 10.000%, 20/11/2036 .....	37	0.15
1,440,000	Mexican Bonos, 8.500%, 18/11/2038 .....	60	0.24
3,100,000	Mexican Bonos, 7.750%, 13/11/2042 .....	118	0.47
		1,230	4.93
	TOTAL - CENTRAL AMERICA	1,710	6.86

# FTF Templeton Global Total Return Bond Fund

## PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>EUROPE - OTHER EU 9.77% (9.61%)</b>			
<b>GERMANY</b>			
227,000	Bundesobligation, 0.000%, 18/10/2024 .....	190	0.76
222,000	Bundesrepublik Deutschland Bundesanleihe, 6.250%, 04/01/2024 .....	194	0.78
492,000	Bundesschatzanweisungen, 0.400%, 13/09/2024 .....	414	1.66
381,000	German Treasury Bill, 0.000%, 18/10/2023 .....	330	1.32
73,000	German Treasury Bill, 0.000%, 20/03/2024 .....	62	0.25
		<u>1,190</u>	<u>4.77</u>
<b>HUNGARY</b>			
153,100,000	Hungary Government Bond, 1.000%, 26/11/2025 .....	296	1.19
23,800,000	Hungary Government Bond, 3.000%, 27/10/2027 .....	45	0.18
490,300,000	Hungary Government Bond, 4.750%, 24/11/2032 .....	905	3.63
		<u>1,246</u>	<u>5.00</u>
TOTAL - EUROPE - OTHER EU		<u>2,436</u>	<u>9.77</u>
<b>NORTH AMERICA 11.20% (7.73%)</b>			
<b>UNITED STATES OF AMERICA</b>			
1,345,000	Fed Home Loan Bank 0% Disc NTS 02/10/2023 USD, 0.000%, 02/10/2023 .....	1,102	4.42
610,000	United States Treasury Bonds, 3.375%, 15/08/2042 .....	405	1.63
360,000	United States Treasury Bonds, 3.125%, 15/02/2043 .....	228	0.91
1,230,000	United States Treasury Bonds, 3.625%, 15/08/2043 .....	840	3.37
310,000	United States Treasury Bonds, 3.750%, 15/11/2043 .....	216	0.87
		<u>2,791</u>	<u>11.20</u>
TOTAL - NORTH AMERICA		<u>2,791</u>	<u>11.20</u>
<b>SOUTH AMERICA 17.12% (19.65%)</b>			
<b>BRAZIL</b>			
3,590,000	Brazil Notas do Tesouro Nacional Serie F, 10.000%, 01/01/2027 .....	575	2.31
4,666,000	Brazil Notas do Tesouro Nacional Serie F, 10.000%, 01/01/2029 .....	726	2.91
4,916,000	Brazil Notas do Tesouro Nacional Serie F, 10.000%, 01/01/2031 .....	749	3.00
1,572,000	Brazil Notas do Tesouro Nacional Serie F, 10.000%, 01/01/2033 .....	234	0.94
		<u>2,284</u>	<u>9.16</u>
<b>COLOMBIA</b>			
176,000,000	Colombia Government International Bond, 9.850%, 28/06/2027 .....	33	0.13
297,900,000	Colombian TES, 13.250%, 09/02/2033 .....	65	0.26
1,648,000,000	Colombian TES, 7.250%, 18/10/2034 .....	243	0.98
776,000,000	Colombian TES, 6.250%, 09/07/2036 .....	101	0.41
2,484,000,000	Colombian TES, 9.250%, 28/05/2042 .....	400	1.60
		<u>842</u>	<u>3.38</u>
<b>ECUADOR</b>			
1,144,000	Ecuador Government International Bond, 6.000%, 31/07/2030 .....	476	1.91
2,197,000	Ecuador Government International Bond, 3.500%, 31/07/2035 .....	666	2.67
		<u>1,142</u>	<u>4.58</u>
TOTAL - SOUTH AMERICA		<u>4,268</u>	<u>17.12</u>
TOTAL - BONDS		<u>23,454</u>	<u>94.10</u>
<b>DERIVATIVES (1.12%) (0.46%)</b>			
<b>OPTIONS</b>			
1,682,000	US Dollar Call Mexican Peso Put 1/11/2023 @ 18.3955 .....	6	0.03
841,000	US Dollar Put Mexican Peso Call 1/2/2024 @ 16.039 .....	1	0.00
(1,682,000)	US Dollar Put Mexican Peso Call 1/2/2024 @ 16.7575 .....	(8)	(0.03)
		<u>(1)</u>	<u>0.00</u>

# FTF Templeton Global Total Return Bond Fund

## PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>SWAPS</b>			
1,250,000	Interest Rate Swap J.P. Morgan Pay floating SOFR 1 day Receive fixed 3.29% .....	(85)	(0.34)
		(85)	(0.34)
<b>FORWARD CURRENCY CONTRACTS</b>			
AUD 1,020,000	Buy AUD 1,020,000 sell USD (678,759) dated 31/10/2023 .....	(16)	(0.07)
AUD 890,000	Buy AUD 890,000 sell USD (596,896) dated 08/11/2023 .....	(18)	(0.07)
AUD 890,000	Buy AUD 890,000 sell USD (596,718) dated 08/11/2023 .....	(18)	(0.07)
AUD 885,000	Buy AUD 885,000 sell USD (588,746) dated 22/11/2023 .....	(14)	(0.06)
AUD 945,000	Buy AUD 945,000 sell USD (628,639) dated 22/11/2023 .....	(14)	(0.06)
AUD 770,000	Buy AUD 770,000 sell USD (492,719) dated 11/12/2023 .....	4	0.02
CLP 143,349,641	Buy CLP 143,349,641 sell USD (174,742) dated 16/10/2023 .....	(12)	(0.05)
INR 48,220,000	Buy INR 48,220,000 sell USD (585,905) dated 05/10/2023 .....	(4)	(0.02)
INR 24,920,000	Buy INR 24,920,000 sell USD (298,651) dated 08/01/2024 .....	-	0.00
INR 92,855,675	Buy INR 92,855,675 sell USD (1,113,805) dated 12/02/2024 .....	(3)	(0.01)
INR 64,011,650	Buy INR 64,011,650 sell USD (765,598) dated 20/03/2024 .....	(2)	(0.01)
JPY 52,272,640	Buy JPY 52,272,640 sell USD (362,915) dated 21/11/2023 .....	(8)	(0.03)
JPY 177,057,720	Buy JPY 177,057,720 sell USD (1,224,868) dated 14/12/2023 .....	(20)	(0.08)
JPY 214,764,030	Buy JPY 214,764,030 sell USD (1,486,720) dated 14/12/2023 .....	(24)	(0.10)
JPY 97,787,050	Buy JPY 97,787,050 sell USD (671,512) dated 20/12/2023 .....	(6)	(0.02)
JPY 100,118,560	Buy JPY 100,118,560 sell USD (701,798) dated 21/03/2024 .....	(9)	(0.04)
KRW 323,000,000	Buy KRW 323,000,000 sell USD (248,678) dated 04/10/2023 .....	(8)	(0.03)
KRW 1,010,000,000	Buy KRW 1,010,000,000 sell USD (770,111) dated 05/10/2023 .....	(18)	(0.07)
KRW 2,151,000,000	Buy KRW 2,151,000,000 sell USD (1,619,534) dated 20/12/2023 .....	(12)	(0.05)
KRW 1,010,000,000	Buy KRW 1,010,000,000 sell USD (748,703) dated 20/12/2023 .....	4	0.02
KRW 1,059,200,000	Buy KRW 1,059,200,000 sell USD (806,549) dated 20/03/2024 .....	(10)	(0.04)
KRW 323,000,000	Buy KRW 323,000,000 sell USD (242,939) dated 04/04/2024 .....	-	0.00
NOK 17,033,000	Buy NOK 17,033,000 sell USD (1,594,387) dated 11/12/2023 .....	8	0.03
USD 223,097	Buy USD 223,097 sell AUD (350,000) dated 31/10/2023 .....	(3)	(0.01)
USD 175,160	Buy USD 175,160 sell CLP (143,349,641) dated 16/10/2023 .....	12	0.05
USD 279,981	Buy USD 279,981 sell INR (23,300,000) dated 05/10/2023 .....	-	0.00
USD 299,952	Buy USD 299,952 sell INR (24,920,000) dated 05/10/2023 .....	-	0.00
USD 171,345	Buy USD 171,345 sell JPY (25,400,000) dated 21/11/2023 .....	-	0.00
USD 240,229	Buy USD 240,229 sell KRW (323,000,000) dated 04/10/2023 .....	1	0.00
USD 744,838	Buy USD 744,838 sell KRW (1,010,000,000) dated 05/10/2023 .....	(3)	(0.01)
USD 150,797	Buy USD 150,797 sell KRW (202,400,000) dated 20/12/2023 .....	-	0.00
USD 200,900	Buy USD 200,900 sell NOK (2,150,000) dated 11/12/2023 .....	(1)	0.00
		(194)	(0.78)
		(280)	(1.12)
<b>TOTAL - DERIVATIVES</b>			
<b>HEDGED SHARE CLASS DERIVATIVES (1.20%) (1.64%)</b>			
<b>HEDGE FORWARD CURRENCY CONTRACTS</b>			
GBP 8	Buy GBP 8 sell USD (10) dated 16/10/2023 .....	-	0.00
GBP 3,774,799	Buy GBP 3,774,799 sell USD (4,707,079) dated 16/10/2023 .....	(81)	(0.33)
GBP 10	Buy GBP 10 sell USD (12) dated 16/10/2023 .....	-	0.00
GBP 250	Buy GBP 250 sell USD (312) dated 16/10/2023 .....	-	0.00
GBP 10,202,763	Buy GBP 10,202,763 sell USD (12,722,585) dated 16/10/2023 .....	(219)	(0.88)
GBP 34	Buy GBP 34 sell USD (43) dated 16/10/2023 .....	-	0.00
GBP 1,290	Buy GBP 1,290 sell USD (1,602) dated 16/10/2023 .....	-	0.00
GBP 450	Buy GBP 450 sell USD (558) dated 16/10/2023 .....	-	0.00
GBP 50	Buy GBP 50 sell USD (62) dated 16/10/2023 .....	-	0.00
GBP 1,220	Buy GBP 1,220 sell USD (1,510) dated 16/10/2023 .....	-	0.00
GBP 2	Buy GBP 2 sell USD (3) dated 16/10/2023 .....	-	0.00
GBP 660	Buy GBP 660 sell USD (818) dated 16/10/2023 .....	-	0.00
GBP 215	Buy GBP 215 sell USD (266) dated 16/10/2023 .....	-	0.00
GBP 6	Buy GBP 6 sell USD (7) dated 16/10/2023 .....	-	0.00
GBP 405	Buy GBP 405 sell USD (504) dated 16/10/2023 .....	-	0.00

# FTF Templeton Global Total Return Bond Fund

## PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>HEDGE FORWARD CURRENCY CONTRACTS (Continued)</b>			
GBP 440	Buy GBP 440 sell USD (540) dated 16/10/2023 .....	-	0.00
GBP 546	Buy GBP 546 sell USD (669) dated 16/10/2023 .....	-	0.00
GBP 70	Buy GBP 70 sell USD (86) dated 16/10/2023 .....	-	0.00
GBP 55	Buy GBP 55 sell USD (68) dated 16/10/2023 .....	-	0.00
GBP 324	Buy GBP 324 sell USD (397) dated 16/10/2023 .....	-	0.00
GBP 71	Buy GBP 71 sell USD (88) dated 16/10/2023 .....	-	0.00
GBP 23	Buy GBP 23 sell USD (28) dated 16/10/2023 .....	-	0.00
GBP 8	Buy GBP 8 sell USD (10) dated 16/10/2023 .....	-	0.00
GBP 50	Buy GBP 50 sell USD (61) dated 16/10/2023 .....	-	0.00
GBP 28	Buy GBP 28 sell USD (34) dated 16/10/2023 .....	-	0.00
GBP 181	Buy GBP 181 sell USD (221) dated 16/10/2023 .....	-	0.00
GBP 113	Buy GBP 113 sell USD (137) dated 16/10/2023 .....	-	0.00
GBP 43	Buy GBP 43 sell USD (53) dated 16/10/2023 .....	-	0.00
GBP 9	Buy GBP 9 sell USD (10) dated 16/10/2023 .....	-	0.00
GBP 196	Buy GBP 196 sell USD (238) dated 16/10/2023 .....	-	0.00
GBP 1,945	Buy GBP 1,945 sell USD (2,361) dated 16/10/2023 .....	-	0.00
GBP 37	Buy GBP 37 sell USD (45) dated 16/10/2023 .....	-	0.00
GBP 3	Buy GBP 3 sell USD (3) dated 16/10/2023 .....	-	0.00
GBP 13	Buy GBP 13 sell USD (16) dated 16/10/2023 .....	-	0.00
GBP 1	Buy GBP 1 sell USD (1) dated 16/10/2023 .....	-	0.00
GBP 20	Buy GBP 20 sell USD (24) dated 16/10/2023 .....	-	0.00
GBP 61	Buy GBP 61 sell USD (75) dated 16/10/2023 .....	-	0.00
USD 1	Buy USD 1 sell GBP (1) dated 16/10/2023 .....	-	0.00
USD 2,289	Buy USD 2,289 sell GBP (1,835) dated 16/10/2023 .....	-	0.00
USD 811	Buy USD 811 sell GBP (650) dated 16/10/2023 .....	-	0.00
USD 16,552	Buy USD 16,552 sell GBP (13,275) dated 16/10/2023 .....	-	0.00
USD 17,479	Buy USD 17,479 sell GBP (13,989) dated 16/10/2023 .....	1	0.00
USD 5,962	Buy USD 5,962 sell GBP (4,772) dated 16/10/2023 .....	-	0.00
USD 6,435	Buy USD 6,435 sell GBP (5,182) dated 16/10/2023 .....	-	0.00
USD 9,727	Buy USD 9,727 sell GBP (7,832) dated 16/10/2023 .....	-	0.00
USD 27	Buy USD 27 sell GBP (22) dated 16/10/2023 .....	-	0.00
USD 37	Buy USD 37 sell GBP (30) dated 16/10/2023 .....	-	0.00
USD 2,114	Buy USD 2,114 sell GBP (1,703) dated 16/10/2023 .....	-	0.00
USD 6,352	Buy USD 6,352 sell GBP (5,133) dated 16/10/2023 .....	-	0.00
USD 16,277	Buy USD 16,277 sell GBP (13,154) dated 16/10/2023 .....	-	0.00
USD 8,003	Buy USD 8,003 sell GBP (6,456) dated 16/10/2023 .....	-	0.00
USD 13	Buy USD 13 sell GBP (11) dated 16/10/2023 .....	-	0.00
USD 116,870	Buy USD 116,870 sell GBP (94,308) dated 16/10/2023 .....	2	0.01
USD 1,705	Buy USD 1,705 sell GBP (1,376) dated 16/10/2023 .....	-	0.00
USD 34,836	Buy USD 34,836 sell GBP (28,412) dated 16/10/2023 .....	-	0.00
USD 3,644	Buy USD 3,644 sell GBP (2,972) dated 16/10/2023 .....	-	0.00
USD 5,277	Buy USD 5,277 sell GBP (4,300) dated 16/10/2023 .....	-	0.00
USD 3,782	Buy USD 3,782 sell GBP (3,082) dated 16/10/2023 .....	-	0.00
USD 71,351	Buy USD 71,351 sell GBP (58,146) dated 16/10/2023 .....	-	0.00
USD 20,198	Buy USD 20,198 sell GBP (16,535) dated 16/10/2023 .....	-	0.00
USD 131,037	Buy USD 131,037 sell GBP (107,274) dated 16/10/2023 .....	-	0.00
USD 129,342	Buy USD 129,342 sell GBP (105,886) dated 16/10/2023 .....	-	0.00
USD 45,985	Buy USD 45,985 sell GBP (37,646) dated 16/10/2023 .....	-	0.00
USD 5,909	Buy USD 5,909 sell GBP (4,849) dated 16/10/2023 .....	-	0.00
USD 3,290	Buy USD 3,290 sell GBP (2,700) dated 16/10/2023 .....	-	0.00
USD 5,949	Buy USD 5,949 sell GBP (4,900) dated 16/10/2023 .....	-	0.00
USD 36,664	Buy USD 36,664 sell GBP (30,200) dated 16/10/2023 .....	-	0.00
USD 7,427	Buy USD 7,427 sell GBP (6,118) dated 16/10/2023 .....	-	0.00
USD 65,641	Buy USD 65,641 sell GBP (54,114) dated 16/10/2023 .....	-	0.00
USD 187,427	Buy USD 187,427 sell GBP (154,513) dated 16/10/2023 .....	(1)	0.00
USD 2,332	Buy USD 2,332 sell GBP (1,913) dated 16/10/2023 .....	-	0.00

## FTF Templeton Global Total Return Bond Fund

### PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>HEDGE FORWARD CURRENCY CONTRACTS (Continued)</b>			
USD 9,097	Buy USD 9,097 sell GBP (7,464) dated 16/10/2023 .....	-	0.00
USD 19	Buy USD 19 sell GBP (15) dated 16/10/2023 .....	-	0.00
USD 1,889	Buy USD 1,889 sell GBP (1,547) dated 16/10/2023 .....	-	0.00
USD 99	Buy USD 99 sell GBP (81) dated 16/10/2023 .....	-	0.00
USD 9,939	Buy USD 9,939 sell GBP (8,137) dated 16/10/2023 .....	-	0.00
		<u>(298)</u>	<u>(1.20)</u>
	TOTAL - HEDGED SHARE CLASS DERIVATIVES	<u>(298)</u>	<u>(1.20)</u>
	<b>TOTAL VALUE OF INVESTMENTS .....</b>	<b><u>22,876</u></b>	<b><u>91.78</u></b>
	<b>OTHER ASSETS .....</b>	<b><u>2,049</u></b>	<b><u>8.22</u></b>
	<b>TOTAL NET ASSETS .....</b>	<b><u>24,925</u></b>	<b><u>100.00</u></b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

<sup>1</sup> These securities are fair valued by the manager.

\* Income currently suspended on security.

# FTF Templeton Global Total Return Bond Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	<u>30 September 2023</u>	<u>30 September 2023</u>	<u>30 September 2022</u>	<u>30 September 2022</u>
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(1,716)		(5,153)
Revenue	927		1,058	
Expenses	(103)		(135)	
Interest payable and similar charges	(5)		(21)	
Net revenue before taxation	819		902	
Taxation	(25)		(22)	
Net revenue after taxation		794		880
<b>Total return before distributions</b>		<b>(922)</b>		<b>(4,273)</b>
Distributions		(802)		(880)
<b>Change in net assets attributable to shareholders</b>		<b>(1,724)</b>		<b>(5,153)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	<u>30 September 2023</u>	<u>30 September 2023</u>	<u>30 September 2022</u>	<u>30 September 2022</u>
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>29,704</b>		<b>40,570</b>
Amounts received on creation of shares	1,130		12,263	
Amounts paid on cancellation of shares	(4,775)		(13,655)	
		(3,645)		(1,392)
Dilution adjustment		-		(5)
Change in net assets attributable to shareholders from investment activities (see above)		(1,724)		(5,153)
Retained distribution on accumulation shares		590		587
<b>Closing net assets attributable to shareholders</b>		<b>24,925</b>		<b>34,607</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	<u>30 September 2023</u>	<u>31 March 2023</u>
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	23,493	28,402
Current assets		
Debtors	1,771	3,371
Cash and bank balances	1,192	1,481
Total assets	26,456	33,254
<b>Liabilities</b>		
Investment liabilities	(617)	(290)
Creditors		
Amounts due to futures clearing houses and brokers	-	(170)
Distributions payable	(92)	(90)
Other creditors	(822)	(3,000)
Total liabilities	(1,531)	(3,550)
<b>Net assets attributable to shareholders</b>	<b>24,925</b>	<b>29,704</b>

# FTF Templeton Global Total Return Bond Fund

## DISTRIBUTION TABLES For the period 1 April 2023 to 30 September 2023

### For the period 1 April 2023 to 30 June 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased in the period 1 April 2023 to 30 June 2023

	Net Income	Equalisation	30 June 2023 Pence per Share	30 June 2022 Pence per Share
	p	p	p	p
<b>W Accumulation Shares</b>				
Group 1	1.3288	-	1.3288	1.1164
Group 2	0.8023	0.5265	1.3288	1.1164
<b>W Accumulation H3 shares</b>				
Group 1	1.0024	-	1.0024	0.9998
Group 2	0.4257	0.5767	1.0024	0.9998
<b>W Income Shares</b>				
Group 1	0.8007	-	0.8007	0.7210
Group 2	0.2802	0.5205	0.8007	0.7210
<b>W Income H3 shares</b>				
Group 1	0.6798	-	0.6798	0.6139
Group 2	0.2263	0.4535	0.6798	0.6139

### For the period 1 July 2023 to 30 September 2023

Group 1 Shares purchased prior to 1 July 2023

Group 2 Shares purchased in the period 1 July 2023 to 30 September 2023

	Net Income	Equalisation	30 September 2023 Pence per Share	30 September 2022 Pence per Share
	p	p	p	p
<b>W Accumulation Shares</b>				
Group 1	1.4964	-	1.4964	1.2806
Group 2	0.4736	1.0228	1.4964	1.2806
<b>W Accumulation H3 shares</b>				
Group 1	1.1361	-	1.1361	0.9168
Group 2	0.7669	0.3692	1.1361	0.9168
<b>W Income Shares</b>				
Group 1	0.8894	-	0.8894	0.7994
Group 2	0.4556	0.4338	0.8894	0.7994
<b>W Income H3 shares</b>				
Group 1	0.7600	-	0.7600	0.6445
Group 2	0.3020	0.4580	0.7600	0.6445

### Equalisation

All shareholders, within each share category, receive the same distribution per share, although the distribution to shareholders who purchased shares during the distribution period (Group 2 holdings) contains an element of equalisation which is a repayment, at an average rate per share, of the amount of accrued net income which was included in the purchase price of such shares. As the nature of this payment is capital it is not subject to income tax but must be deducted from the purchase price in any capital gains tax computation on the sale of the shares.

# FTF Western Asset Global Multi Strategy Bond Fund

## INVESTMENT OBJECTIVE & POLICY

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### WHAT THE FUND AIMS TO DELIVER (FUND OBJECTIVE)

The Fund aims to grow in value from a combination of income and capital growth, in excess of SONIA Compounded Index + 3.5%, over rolling five year periods, before fees and costs are deducted.

There is no guarantee that the Fund will achieve its objective over this or any other time period. Capital invested is at risk and you may get back less than you paid in.

### HOW WE INVEST (INVESTMENT POLICY)

The Fund invests at least 80% of its assets in debt securities or bonds (a type of debt obligation) issued anywhere in the world, including emerging markets (countries whose economy and financial markets are still developing), in each case which are denominated in Sterling or hedged back to Sterling. These securities can include:

- Bonds or debt securities issued by governments, government-related or supranational organisations, or corporate issuers, including loans.
- Convertible bonds (a type of corporate bond which can be exchanged for shares in the same organisation).
- Bonds whose value is secured by mortgages or other assets with a return dependent on the cash flow or interest arising from such assets (mortgage or asset-backed securities).
- Securities which are indexed to inflation (inflation-protected securities).
- Debt securities that do not pay interest but instead trade at a significant discount and which are redeemed at maturity for the full face-value (zero-coupon bonds).
- Written orders or agreements to pay fixed sums of money either at a pre-determined date or on demand (bills of exchange, banker's acceptances and promissory notes).

At least 40% of the debt securities and bonds will be investment grade at the time of investment i.e. either rated as high as or higher than the following standards or their equivalent by one or more nationally recognized statistical rating organizations (or, where not rated, where the Investment Manager considers to the issuer be of at least equal in credit quality to the following standards):

- Standard & Poor's: BBB- or A-2; or
- Moody's: Baa3 or Prime-2; or
- Fitch: BBB- or F-2.

The Fund may invest in debt securities and bonds which are not investment grade. These securities generally pay a higher yield (interest rate) but are considered by rating agencies to be lower quality and carry more risk than investment grade bonds.

It is expected that, under normal market conditions, the Fund will maintain an overall weighted average credit rating of at least BBB- or equivalent.

In addition, the Fund may also invest up to 10% of the portfolio in equity securities acquired as a result of a corporate action or as part of a company restructure or conversion (via convertible bonds) and in preference shares (shares where dividends are paid out in advance of dividends due to other shares in the company). The Fund may also invest up to 10% of the portfolio in units in other collective investment schemes (which may include collective investment schemes operated by the ACD or any of its associates). Additionally, the Fund may invest in other non-Sterling denominated debt securities or bonds, cash and cash equivalents and money market instruments.

The Fund can use derivatives for efficient portfolio management (managing the Fund in a way that is designed to reduce risk or cost and/or generate extra income or growth). The Fund may also use derivatives for more speculative investment purposes to help achieve the Fund's investment objectives. Derivatives are financial contracts whose value is linked to the price of another asset (e.g. indices, interest rates, share prices or currencies).

# FTF Western Asset Global Multi Strategy Bond Fund

## INVESTMENT OBJECTIVE & POLICY *(Continued)*

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The Fund is a multi-sector strategy which seeks to achieve its investment objective by diversifying across a range of sectors, securities, and currencies. The Investment Manager develops investment ideas and uses a disciplined research programme to add value by rotating actively among and within the global investment universe as valuations change. The Investment Manager identifies securities within each sector which they believe are undervalued or mispriced based upon internal research and analysis. In selecting investments, the Investment Manager also assesses each investee company against various environmental, social, and governance (“ESG”) factors. The Fund will not invest in:

- Companies which, in the opinion of the Investment Manager, do not follow good governance practices.
- Issuers which MSCI have identified as failing the principles set out in the UN “Global Compact”, unless the Investment Manager considers a “fail” grade to be inaccurate.
- Companies which manufacture controversial weapons (such as anti-personnel landmines, biochemical weapons, blinding laser weapons, depleted uranium, incendiary weapons) or which are in the same group as a company manufacturing such weapons.
- Companies which derive over 10% of revenue from:
  - The manufacture or supply of civilian firearms.
  - Involvement in conventional weapons.
  - The mining, production or distribution of thermal coal.
- Companies which derive over 5% of revenue from tobacco production and / or distribution.
- Companies which derive over 5% of revenue from the production of nuclear weapons.

# FTF Western Asset Global Multi Strategy Bond Fund

## INVESTMENT REVIEW

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### PERFORMANCE

In the period 1 April 2023 through 30 September 2023, the FTF Western Asset Global Multi Strategy Bond Fund (W Accumulation) made a return of 0.90%, versus the SONIA Compounded Index (GBP), which returned 2.38%.

### OVERVIEW

Over the course of the reporting period, risk assets gained as concerns over a near-term economic hard landing eased. During the first half, government bond yield curves flattened as front-end bond yields rose with global central banks reiterating their resolve to bring inflation back to target. However, as we moved into Q3 2023, US economic resilience as well as higher policy rate expectations from Federal Open Market Committee (FOMC) members revived a “higher-for-longer” narrative for global policy rates. During the period, the Federal Reserve raised interest rates twice to a target rate of 5.25%-5.5%, leaving interest rates unchanged in September. Heightened uncertainty over long-run interest rates saw global government bond yield curves steepen.

The economic growth trajectory for Europe remains challenged. Eurozone inflation trended downwards across both the headline and core measures, offering policymakers some optimism. The European Central Bank (ECB) hiked the Deposit Facility rates by 25 basis points (bps) on four separate occasions to 4%. UK inflation moderated sharply in September, paving the way for the Bank of England (BoE) to leave the Bank rate on hold at its September policy meeting; this followed a 100-bps of hikes earlier in the period. The Bank of Japan (BoJ) unexpectedly softened its yield curve control (YCC) stance, effectively pledging to cap 10-year Japanese government bond (JGB) yields at 1.0% (from 0.5% previously).

In China, authorities announced several rounds of measures aimed at boosting economic activity, including easing curbs on the property sector. Local currency emerging market (EM) bonds showed mixed returns over the quarter, as higher UST yields led to some local EM government yields ending the period higher. Hard currency EM government bonds showed resilience outperforming government bonds. Similarly corporate bond spreads narrowed as risk appetite continued across the period. High yield bonds and bank loans posted positive absolute returns. A relatively resilient US economy pushed the US dollar stronger versus most EM and developed market (DM) currencies.

### SIGNIFICANT CHANGES

A number of changes were made to the portfolio during the reporting period. The Fund reduced its allocation to investment grade credit given tighter spreads, rotating into US Treasuries. The Fund also reduced its allocation to high yield credit and bank loans as well as its exposure to hard currency EM sovereign and corporate issues, changes which were also attributed to tighter spreads. The Fund added duration in the UK, in core Europe and at the short-end of the US yield curve, while reducing some exposure to the long-end of the US yield curve. The Fund's foreign exchange exposure was also adjusted with an increase in exposure to the Mexican Peso, Japanese Yen and Indian Rupee (INR) via the purchase of INR denominated supranational bonds; a reduction in Indonesia Rupiah (IDR) via the sale of local government bonds and a change to close Taiwan Dollar underweight.

Examples of sales relating to the reduction in investment grade and emerging market debt include the sale of USD denominated Delta Air Lines, 7.000%, 01/05/2025, Netflix, 6.375%, 15/05/2029 and DP World Ltd, 5.625%, 25/09/2048.

Examples of purchases include purchases of United Kingdom Gilt, 4.250%, 07/06/2032, Bundesrepublik Deutschland Bundesanleihe, 1.700%, 15/08/2032 and United States Treasury Notes, 4.125%, 31/10/2027.

### POSITIVE/NEGATIVE CONTRIBUTORS

A long position in developed market duration detracted the most from performance, as rates moved sharply higher amid elevated inflation and aggressive central bank rate hikes. The Fund's exposure to investment-grade and high-yield bond corporate bonds plus bank loans positively impacted results as corporate spreads tightened. Elsewhere, the Fund's emerging market allocation and asset-back security exposures contributed to returns. Currency positioning overall detracted from returns as the Japanese Yen and select emerging market currencies weakened versus the US Dollar and Sterling.

# FTF Western Asset Global Multi Strategy Bond Fund

## INVESTMENT REVIEW *(Continued)*

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### OUTLOOK

As we anticipated, global growth has downshifted and inflation rates worldwide are generally receding. Tightening financial conditions in the US and Europe, weaker demand for manufacturing and services across a number of countries and deflationary pressures in China are easing price pressures globally. These trends, coupled with the major central banks advocating for a prolonged period of restrictive monetary policy, are expected to further dampen economic growth and inflation which, in turn, should lead to lower DM government bond yields and a modestly weaker US dollar. That stated, concerns over a "higher-for-longer" rate environment driven by factors such as stronger-than-expected growth in the US, increased UST supply to cover a growing fiscal deficit and inflation remaining above respective central bank targets may lead to periods of heightened market volatility. Spread sectors such as EM, high-yield, bank loans and select areas of the MBS space offer attractive yield but we acknowledge their vulnerability to unanticipated shifts in macro-related sentiment, geopolitical developments and the ongoing risk of central bank overtightening.

**Annabel Rudebeck, Gordon Brown, Ian Edmonds, S. Kenneth Leech & Michael Buchanan**

Fund Managers

30 September 2023

# FTF Western Asset Global Multi Strategy Bond Fund

## COMPARATIVE TABLES As at 30 September 2023

<u>S Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	131.02	130.67
Return before operating charges <sup>1</sup>	1.10	0.73
Operating charges <sup>2</sup>	(0.24)	(0.38)
Return after operating charges <sup>3</sup>	0.86	0.35
Distributions	(4.38)	(4.26)
Retained distributions on accumulation shares	4.38	4.26
Closing net asset value per share	131.88	131.02
After direct transaction costs of <sup>4</sup>	-	-
<b>Performance</b>		
Return after charges <sup>5</sup>	0.66%	0.27%
<b>Other information</b>		
Closing net asset value (£)	3,971,151	3,574,806
Closing number of shares	3,011,235	2,728,451
Operating charges ratio <sup>6</sup>	0.36%	0.56%
Direct transaction costs <sup>4</sup>	-	-
<b>Prices (p)</b>		
Highest share price	136.09	136.11
Lowest share price	129.80	124.84
<b>S Income</b>		
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	86.55	89.16
Return before operating charges <sup>1</sup>	0.74	0.52
Operating charges <sup>2</sup>	(0.15)	(0.26)
Return after operating charges <sup>3</sup>	0.59	0.26
Distributions	(2.86)	(2.87)
Closing net asset value per share	84.28	86.55
After direct transaction costs of <sup>4</sup>	-	-
<b>Performance</b>		
Return after charges <sup>5</sup>	0.68%	0.29%
<b>Other information</b>		
Closing net asset value (£)	61,361,400	62,542,066
Closing number of shares	72,806,333	72,262,442
Operating charges ratio <sup>6</sup>	0.35%	0.56%
Direct transaction costs <sup>4</sup>	-	-
<b>Prices (p)</b>		
Highest share price	88.36	90.90
Lowest share price <sup>7</sup>	84.74	85.18

# FTF Western Asset Global Multi Strategy Bond Fund

## COMPARATIVE TABLES (Continued)

<u>W Accumulation</u>	<u>30 September 2023</u>	<u>31 March 2023*</u>
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	100.33	100.17
Return before operating charges <sup>1</sup>	0.83	0.56
Operating charges <sup>2</sup>	(0.25)	(0.40)
Return after operating charges <sup>3</sup>	0.58	0.16
Distributions	(3.36)	(3.23)
Retained distributions on accumulation shares	3.36	3.23
Closing net asset value per share	100.91	100.33
After direct transaction costs of <sup>4</sup>	-	-
<b>Performance</b>		
Return after charges <sup>5</sup>	0.58%	0.16%
<b>Other information</b>		
Closing net asset value (£)	39,604	39,394
Closing number of shares	39,248	39,266
Operating charges ratio <sup>6</sup>	0.50%	0.77%
Direct transaction costs <sup>4</sup>	-	-
<b>Prices (p)</b>		
Highest share price	104.15	104.27
Lowest share price	99.37	95.68
<b>W Income</b>		
<b>Change in net assets per share (p)</b>		
Opening net asset value per share	66.57	68.64
Return before operating charges <sup>1</sup>	0.58	0.39
Operating charges <sup>2</sup>	(0.17)	(0.27)
Return after operating charges <sup>3</sup>	0.41	0.12
Distributions	(2.20)	(2.19)
Closing net asset value per share	64.78	66.57
After direct transaction costs of <sup>4</sup>	-	-
<b>Performance</b>		
Return after charges <sup>5</sup>	0.62%	0.17%
<b>Other information</b>		
Closing net asset value (£)	3,618,181	4,019,116
Closing number of shares	5,585,457	6,037,221
Operating charges ratio <sup>6</sup>	0.50%	0.77%
Direct transaction costs <sup>4</sup>	-	-
<b>Prices (p)</b>		
Highest share price	67.93	69.94
Lowest share price <sup>7</sup>	65.13	65.57

1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".

2 The "operating charges" are calculated with reference to the total expenses for the year divided by the number of shares in issue at each valuation point.

3 The "return after operating charges" is calculated as the "closing net asset value per share" plus the "distributions" (for income share classes only) minus the "opening net asset value per share".

4 The direct transaction costs include all fees and expenses which relate directly to the sales and purchases of securities which include commissions, transfer taxes and duties. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The "direct transaction costs" ratio is calculated by dividing the total transaction costs by the average net assets.

5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share". This figure will differ from "performance return" figure disclosed under "Investment Review" section due to alternative calculation methodology used.

6 The "operating charges ratio" represents all operating charges and expenses of the share class in the prior 12 months as a percentage of the share class's average net assets during the year. Where the period is less than 12 months, the operating charges are annualised.

# FTF Western Asset Global Multi Strategy Bond Fund

## COMPARATIVE TABLES *(Continued)*

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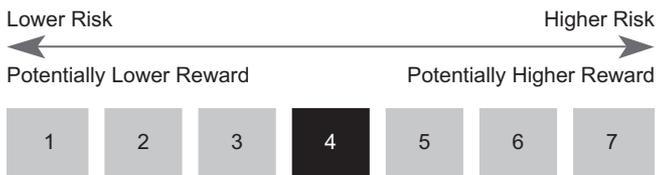
7 The “closing net asset value per share” figure is based on the bid-market prices at close of business, whilst the highest/lowest share prices are based on mid dealing prices (the price at which shares are sold).

\* The Fund launched on 23 September 2022. The opening net asset value per share is calculated from the merger price.

# FTF Western Asset Global Multi Strategy Bond Fund

RISK PROFILE (W Accumulation Shares) As at 30 September 2023

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This indicator, disclosed in the Key Investor Information Document (“KIID”), provides a measure of the price movement of the Fund based on historical behaviour. Historical data may not be a reliable indication of the future risk profile of the Fund. The category shown is not guaranteed to remain unchanged and may shift over time.

The lowest category does not mean risk free.

For a full discussion of all the risks applicable to this Fund, please refer to the “Risk Factors” section of the current prospectus of Franklin Templeton Funds.

# FTF Western Asset Global Multi Strategy Bond Fund

PORTFOLIO OF INVESTMENTS As at 30 September 2023

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
	<b>EQUITIES 0.30% (0.28%)</b>		
	<b>NORTH AMERICA 0.30% (0.28%)</b>		
	<b>UNITED STATES OF AMERICA</b>		
30,718	Berry.....	206	0.30
	TOTAL - NORTH AMERICA	206	0.30
	TOTAL - EQUITIES	206	0.30
	<b>BONDS 93.22% (87.41%)</b>		
	<b>AFRICA 3.89% (4.28%)</b>		
	<b>CÔTE D'IVOIRE</b>		
310,000	Ivory Coast Government International Bond, 5.250%, 22/03/2030.....	224	0.32
	<b>EGYPT</b>		
550,000	Egypt Government International Bond, 3.875%, 16/02/2026.....	319	0.46
550,000	Egypt Government International Bond, 6.375%, 11/04/2031.....	264	0.39
		583	0.85
	<b>NIGERIA</b>		
600,000	Nigeria Government International Bond, 7.625%, 28/11/2047.....	327	0.47
	<b>SOUTH AFRICA</b>		
44,810,000	Republic of South Africa Government Bond, 6.500%, 28/02/2041.....	1,100	1.60
830,000	Republic of South Africa Government International Bond, 5.750%, 30/09/2049.....	449	0.65
		1,549	2.25
	TOTAL - AFRICA	2,683	3.89
	<b>ASIA 0.91% (1.47%)</b>		
	<b>HONG KONG</b>		
119,400	Fugue Finance, FRN, 9.354%, 26/01/2028.....	98	0.14
	<b>INDONESIA</b>		
6,742,000,000	Indonesia Treasury Bond, 7.000%, 15/05/2027.....	362	0.52
	<b>KAZAKHSTAN</b>		
230,000	KazMunayGas National JSC, 5.375%, 24/04/2030.....	171	0.25
	TOTAL - ASIA	631	0.91
	<b>CENTRAL AMERICA 4.82% (5.21%)</b>		
	<b>DOMINICAN REPUBLIC</b>		
560,000	Dominican Republic International Bond, 4.875%, 23/09/2032.....	373	0.54
	<b>MEXICO</b>		
32,200,000	Mexican Bonos, 8.500%, 31/05/2029.....	1,419	2.06
34,526,400	Mexican Bonos, 7.750%, 13/11/2042.....	1,310	1.90
330,000	Orbia Advance, 5.875%, 17/09/2044.....	223	0.32
		2,952	4.28
	TOTAL - CENTRAL AMERICA	3,325	4.82
	<b>EUROPE - NON EU 1.50% (2.15%)</b>		
	<b>JERSEY</b>		
310,000	Wheel Bidco, 6.750%, 15/07/2026.....	256	0.37
	<b>NORWAY</b>		
100,000	Adevinta, 3.000%, 15/11/2027.....	85	0.12
	<b>RUSSIA</b>		
55,890,000	Russian Federal Bond - OFZ, 6.900%, 23/05/2029 <sup>1</sup> .....	131	0.19

# FTF Western Asset Global Multi Strategy Bond Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>SWITZERLAND</b>			
440,000	Credit Suisse, 7.500%, Perpetual <sup>2</sup> .....	-	0.00
700,000	UBS, 7.000%, Perpetual .....	565	0.82
		<u>565</u>	<u>0.82</u>
	TOTAL - EUROPE - NON EU	1,037	1.50
<b>EUROPE - OTHER EU 19.99% (16.28%)</b>			
<b>DENMARK</b>			
110,000	Orsted, 2.500%, 18/02/3021 .....	70	0.10
<b>FINLAND</b>			
100,000	Huhtamaki, 4.250%, 09/06/2027 .....	84	0.12
<b>FRANCE</b>			
200,000	Accor, 2.375%, 29/11/2028 .....	155	0.22
310,000	Altice France, 2.125%, 15/02/2025 .....	254	0.37
120,000	Banijay Entertainment, 7.000%, 01/05/2029 .....	103	0.15
100,000	BNP Paribas, 2.500%, 31/03/2032 .....	78	0.11
380,000	BNP Paribas, 7.000%, Perpetual .....	285	0.41
350,000	BNP Paribas, 7.375%, Perpetual .....	281	0.41
260,000	CAB SELAS, 3.375%, 01/02/2028 .....	188	0.27
210,000	Goldstory, 5.375%, 01/03/2026 .....	176	0.26
100,000	Kapla, FRN, 9.163%, 15/07/2027 .....	88	0.13
170,000	Rexel, 5.250%, 15/09/2030 .....	145	0.21
		<u>1,753</u>	<u>2.54</u>
<b>GERMANY</b>			
1,000,000	Allianz, 3.200%, Perpetual .....	582	0.84
310,000	APCOA Parking, 4.625%, 15/01/2027 .....	245	0.35
60,000	Bundesrepublik Deutschland Bundesanleihe, 0.250%, 15/02/2029 .....	46	0.07
2,980,000	Bundesrepublik Deutschland Bundesanleihe, 1.700%, 15/08/2032 .....	2,365	3.43
300,000	ZF Finance, 5.750%, 03/08/2026 .....	259	0.38
		<u>3,497</u>	<u>5.07</u>
<b>IRELAND</b>			
230,000	AerCap Ireland Capital / AerCap Global Aviation Trust, 3.300%, 30/01/2032 .....	150	0.22
420,000	Ardagh Packaging Finance / Ardagh USA, 5.250%, 15/08/2027 .....	287	0.42
1,070,000	Park Aerospace, 5.500%, 15/02/2024 .....	872	1.26
		<u>1,309</u>	<u>1.90</u>
<b>ITALY</b>			
160,000	International Design, FRN, 8.031%, 15/05/2026 .....	138	0.20
280,000	Intesa Sanpaolo, 6.500%, 14/03/2029 .....	272	0.40
		<u>410</u>	<u>0.60</u>
<b>LUXEMBOURG</b>			
300,000	Altice Financing, 2.250%, 15/01/2025 .....	255	0.37
140,000	Cidron Aida Finco Sarl, 6.250%, 01/04/2028 .....	124	0.18
432,000	Millicom International Cellular, 5.125%, 15/01/2028 .....	299	0.43
		<u>678</u>	<u>0.98</u>
<b>NETHERLANDS</b>			
200,000	Cooperatieve Rabobank UA, 3.250%, Perpetual .....	144	0.21
200,000	Cooperatieve Rabobank UA, 4.875%, Perpetual .....	143	0.21
180,000	GTCR W-2 Merger Sub / GTCR W Dutch Finance Sub, 8.500%, 15/01/2031 .....	183	0.26
400,000	ING Groep, 5.000%, 30/08/2026 .....	392	0.57
110,000	IPD 3, 8.000%, 15/06/2028 .....	96	0.14
450,000	Prosus, 3.832%, 08/02/2051 .....	202	0.29
200,000	Telefonica Europe, 2.376%, Perpetual .....	136	0.20
100,000	Telefonica Europe, 3.875%, Perpetual .....	80	0.12
300,000	Teva Pharmaceutical Finance Netherlands III, 3.150%, 01/10/2026 .....	219	0.32

# FTF Western Asset Global Multi Strategy Bond Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>NETHERLANDS (Continued)</b>			
520,000	Teva Pharmaceutical Finance Netherlands III, 4.750%, 09/05/2027 .....	389	0.56
270,000	Trivium Packaging Finance, 5.500%, 15/08/2026 .....	206	0.30
290,000	United, 5.250%, 01/02/2030 .....	207	0.30
740,000	UPC, 5.500%, 15/01/2028 .....	540	0.78
610,000	VZ Secured Financing, 5.000%, 15/01/2032 .....	393	0.57
		<u>3,330</u>	<u>4.83</u>
<b>POLAND</b>			
8,210,000	Republic of Poland Government Bond, 1.750%, 25/04/2032 .....	1,124	1.63
<b>ROMANIA</b>			
330,000	Romanian Government International Bond, 2.000%, 14/04/2033 .....	196	0.28
<b>SPAIN</b>			
400,000	Banco Santander, 5.750%, 23/08/2033 .....	344	0.50
290,000	Lorca Telecom Bondco, 4.000%, 18/09/2027 .....	233	0.34
290,000	Via Celere Desarrollos Inmobiliarios, 5.250%, 01/04/2026 .....	236	0.34
		<u>813</u>	<u>1.18</u>
<b>SWEDEN</b>			
130,000	Assemblin, FRN, 8.587%, 05/07/2029 .....	112	0.16
330,000	Heimstaden Bostad, 3.625%, Perpetual .....	131	0.19
200,000	Verisure, 7.125%, 01/02/2028 .....	175	0.25
140,000	Verisure Midholding, 5.250%, 15/02/2029 .....	107	0.16
		<u>525</u>	<u>0.76</u>
TOTAL - EUROPE - OTHER EU		<u>13,789</u>	<u>19.99</u>
<b>MIDDLE EAST 0.00% (0.79%)</b>			
<b>NORTH AMERICA 39.49% (38.25%)</b>			
<b>CANADA</b>			
230,000	First Quantum Minerals, 6.875%, 01/03/2026 .....	183	0.26
336,662	Garda World Security, FRN, 9.746%, 30/10/2026 .....	275	0.40
760,000	MEG Energy, 7.125%, 01/02/2027 .....	632	0.92
		<u>1,090</u>	<u>1.58</u>
<b>UNITED STATES OF AMERICA</b>			
210,000	AbbVie, 4.850%, 15/06/2044 .....	150	0.22
289,500	Alterra Mountain, FRN, 8.931%, 17/08/2028 .....	236	0.34
430,833	American Airlines/AAAdvantage Loyalty IP, 5.500%, 20/04/2026 .....	345	0.50
280,000	American Axle & Manufacturing, 5.000%, 01/10/2029 .....	186	0.27
290,000	American Express, 3.550%, Perpetual .....	189	0.27
265,251	Asurion, FRN, 8.681%, 31/07/2027 .....	210	0.30
56,262	Asurion, FRN, 9.416%, 19/08/2028 .....	45	0.07
140,000	Bank of America, 5.288%, 25/04/2034 .....	107	0.15
630,000	Bank of America, 3.311%, 22/04/2042 .....	359	0.52
680,000	BBVA Bancomer, 5.125%, 18/01/2033 .....	480	0.70
270,000	Braskem America Finance, 7.125%, 22/07/2041 .....	192	0.28
790,000	CCO / CCO Capital, 4.500%, 15/08/2030 .....	531	0.77
220,000	CCO / CCO Capital, 4.500%, 01/06/2033 .....	138	0.20
390,000	Centene, 4.625%, 15/12/2029 .....	288	0.42
130,000	Charles Schwab, 4.000%, Perpetual .....	75	0.11
130,000	Cigna, 4.800%, 15/08/2038 .....	94	0.14
480,000	Citigroup, 6.300%, Perpetual .....	382	0.55
448,000	Comcast, 2.937%, 01/11/2056 .....	209	0.30
350,000	Connecticut Avenue Trust, FRN, 8.415%, 25/10/2041 .....	287	0.42
279,015	Conseco Finance, FRN, 7.750%, 15/06/2027 .....	228	0.33
760,000	Continental Resources, 4.900%, 01/06/2044 .....	457	0.66
221,364	CSMC Mortgage-Backed Trust Series, FRN, 0.637%, 25/02/2036 .....	138	0.20
325,000	DCP Midstream Operating, 6.450%, 03/11/2036 .....	262	0.38

# FTF Western Asset Global Multi Strategy Bond Fund

## PORTFOLIO OF INVESTMENTS *(Continued)*

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>UNITED STATES OF AMERICA (Continued)</b>			
248,000	Devon Energy, 5.250%, 15/10/2027 .....	198	0.29
590,000	Directv Financing / Directv Financing Co-Obligor, 5.875%, 15/08/2027 .....	428	0.62
570,000	DISH DBS, 7.750%, 01/07/2026 .....	350	0.51
340,000	DISH DBS, 5.750%, 01/12/2028 .....	214	0.31
170,000	Diversified Healthcare Trust, 9.750%, 15/06/2025 .....	134	0.19
210,000	Enterprise Products Operating, 4.800%, 01/02/2049 .....	146	0.21
520,000	EQT, 5.000%, 15/01/2029 .....	401	0.58
307,951	Focus Financial Partners, FRN, 8.566%, 30/06/2028 .....	251	0.36
450,000	Ford Motor Credit, 2.748%, 14/06/2024 .....	435	0.63
200,000	Ford Motor Credit, 3.815%, 02/11/2027 .....	146	0.21
335,000	Ford Motor Credit, 2.900%, 10/02/2029 .....	225	0.33
340,000	Freddie Mac STACR REMIC Trust, FRN, 8.815%, 25/10/2033 .....	288	0.42
280,000	Freeport-McMoRan, 5.450%, 15/03/2043 .....	196	0.28
737,109	Global Me, FRN, 9.780%, 02/10/2025 .....	418	0.61
230,000	Goldman Sachs, 3.625%, 29/10/2029 .....	205	0.30
144,000	Goldman Sachs Capital II, FRN, 6.439%, Perpetual .....	96	0.14
290,000	Hilton USA Trust, FRN, 4.333%, 05/11/2038 .....	216	0.31
18,500,000	International Bank for Reconstruction & Development, 6.750%, 13/07/2029 .....	180	0.26
1,810,000	J.P. Morgan Chase Commercial Mortgage Trust, FRN, 13.955%, 15/06/2035 <sup>2</sup> .....	-	0.00
445,000	JPMorgan Chase, 3.328%, 22/04/2052 .....	237	0.34
100,000	Kinder Morgan, 7.750%, 15/01/2032 .....	89	0.13
260,000	Kraft Heinz Foods, 5.200%, 15/07/2045 .....	186	0.27
125,000	Lehman Brothers Capital Trust VII, FRN, 5.857%, Perpetual <sup>2</sup> .....	-	0.00
77,352	LifePoint Health, FRN, 9.377%, 16/11/2025 .....	63	0.09
110,000	McDonald's, 4.200%, 01/04/2050 .....	70	0.10
296,250	Medline Borrower, FRN, 8.681%, 21/10/2028 .....	242	0.35
150,000	MetLife, 6.400%, 15/12/2066 .....	120	0.17
80,000	Morgan Stanley, 5.597%, 24/03/2051 .....	61	0.09
560,000	NGPL PipeCo, 7.768%, 15/12/2037 .....	472	0.68
310,000	Occidental Petroleum, 3.500%, 15/08/2029 .....	216	0.31
20,000	Occidental Petroleum, 7.875%, 15/09/2031 .....	18	0.03
740,000	Range Resources, 4.750%, 15/02/2030 .....	538	0.78
265,275	Red Planet Borrower, FRN, 9.166%, 30/09/2028 .....	208	0.30
630,000	Sasol Financing USA, 5.500%, 18/03/2031 .....	405	0.59
472,770	Sedgwick Claims Management Services, FRN, 9.066%, 24/02/2028 .....	386	0.56
330,000	Southwestern Energy, 4.750%, 01/02/2032 .....	232	0.34
723,000	Sprint Capital, 8.750%, 15/03/2032 .....	686	0.99
340,000	Targa Resources Partners / Targa Resources Partners Finance, 5.500%, 01/03/2030 .....	261	0.38
320,000	T-Mobile USA, 3.875%, 15/04/2030 .....	232	0.34
660,000	United Airlines, 4.625%, 15/04/2029 .....	466	0.68
150,000	United Rentals North America, 3.875%, 15/02/2031 .....	102	0.15
70,000	United States Treasury Bonds, 1.750%, 15/08/2041 .....	36	0.05
110,000	United States Treasury Bonds, 2.000%, 15/11/2041 .....	58	0.08
950,000	United States Treasury Bonds, 4.000%, 15/11/2042 .....	690	1.00
299,000	United States Treasury Bonds, 4.375%, 15/08/2043 .....	228	0.33
1,314,000	United States Treasury Bonds, 3.000%, 15/11/2045 .....	796	1.15
80,000	United States Treasury Bonds, 3.125%, 15/05/2048 .....	49	0.07
120,000	United States Treasury Bonds, 3.375%, 15/11/2048 .....	77	0.11
300,000	United States Treasury Bonds, 3.000%, 15/02/2049 .....	179	0.26
210,000	United States Treasury Bonds, 2.875%, 15/05/2049 .....	123	0.18
100,000	United States Treasury Bonds, 1.250%, 15/05/2050 .....	39	0.06
500,000	United States Treasury Bonds, 1.375%, 15/08/2050 .....	200	0.29
140,000	United States Treasury Bonds, 2.375%, 15/05/2051 .....	73	0.11
70,000	United States Treasury Bonds, 3.000%, 15/08/2052 .....	42	0.06
180,000	United States Treasury Bonds, 3.625%, 15/05/2053 .....	122	0.18
1,040,000	United States Treasury Notes, 2.000%, 15/11/2026 .....	784	1.14

# FTF Western Asset Global Multi Strategy Bond Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>UNITED STATES OF AMERICA (Continued)</b>			
610,000	United States Treasury Notes, 2.250%, 15/02/2027 .....	461	0.67
1,700,000	United States Treasury Notes, 0.625%, 31/03/2027 .....	1,210	1.75
2,720,000	United States Treasury Notes, 4.125%, 31/10/2027 .....	2,181	3.16
260,000	United States Treasury Notes, 3.625%, 31/03/2028 .....	204	0.30
1,070,000	United States Treasury Notes, 2.875%, 15/05/2032 .....	770	1.12
140,000	United States Treasury Notes, 2.750%, 15/08/2032 .....	99	0.14
590,000	United States Treasury Notes, 4.125%, 15/11/2032 .....	466	0.68
626	US Renal, FRN, 10.607%, 28/06/2028 .....	-	0.00
780,000	VOC Escrow, 5.000%, 15/02/2028 .....	581	0.84
340,000	Wells Fargo, 3.473%, 26/04/2028 .....	308	0.45
130,000	Wells Fargo, 5.389%, 24/04/2034 .....	100	0.14
210,000	Wells Fargo, 5.013%, 04/04/2051 .....	144	0.21
320,000	Western Midstream Operating, 5.500%, 15/08/2048 .....	208	0.30
700,000	Williams Cos, 5.750%, 24/06/2044 .....	520	0.75
		<u>26,153</u>	<u>37.91</u>
	TOTAL - NORTH AMERICA	<u>27,243</u>	<u>39.49</u>
<b>SOUTH AMERICA 3.75% (4.19%)</b>			
<b>ARGENTINA</b>			
1,406,629	Provincia de Buenos Aires/Government Bonds, 6.375%, 01/09/2037 .....	375	0.54
560,000	YPF, 8.500%, 28/07/2025 .....	411	0.60
		<u>786</u>	<u>1.14</u>
<b>BRAZIL</b>			
5,204,000	Brazil Notas do Tesouro Nacional Serie F, 10.000%, 01/01/2027 .....	833	1.21
370,000	Suzano Austria, 3.750%, 15/01/2031 .....	249	0.36
		<u>1,082</u>	<u>1.57</u>
<b>COLOMBIA</b>			
640,000	Colombia Government International Bond, 5.625%, 26/02/2044 .....	377	0.55
220,000	Ecopetrol, 8.875%, 13/01/2033 .....	176	0.25
		<u>553</u>	<u>0.80</u>
<b>PERU</b>			
340,000	Petroleos del Peru, 5.625%, 19/06/2047 .....	167	0.24
	TOTAL - SOUTH AMERICA	<u>2,588</u>	<u>3.75</u>
<b>UNITED KINGDOM 18.87% (14.79%)</b>			
290,000	Barclays, 7.125%, Perpetual .....	270	0.39
290,000	Bellis Acquisition, 4.500%, 16/02/2026 .....	257	0.37
70,000	British Telecommunications, 9.625%, 15/12/2030 .....	68	0.10
17,800,000	European Bank for Reconstruction & Development, 6.300%, 26/10/2027 .....	169	0.25
210,000	Galaxy Bidco, 6.500%, 31/07/2026 .....	194	0.28
380,000	Gatwick Airport Finance, 4.375%, 07/04/2026 .....	352	0.51
299,000	Greene King Finance, FRN, 7.080%, 15/03/2036 .....	231	0.34
480,000	HSBC, 6.375%, Perpetual .....	378	0.55
590,000	Lloyds Banking, 4.716%, 11/08/2026 .....	470	0.68
845,000	Marston's Issuer, FRN, 7.819%, 16/07/2035 .....	576	0.84
200,000	NatWest, 3.619%, 29/03/2029 .....	177	0.26
770,000	NatWest, 4.500%, Perpetual .....	579	0.84
200,000	PEU Fin, 7.250%, 01/07/2028 .....	166	0.24
200,000	Pinewood Finance, 3.250%, 30/09/2025 .....	187	0.27
200,000	Pinnacle Bidco, 10.000%, 11/10/2028 .....	199	0.29
230,000	Premier Foods Finance, 3.500%, 15/10/2026 .....	209	0.30
163,000	Saga, 3.375%, 12/05/2024 .....	157	0.23
250,000	Saga, 5.500%, 15/07/2026 .....	196	0.28
283,363	Tesco Property Finance 5, 5.661%, 13/10/2041 .....	259	0.38
450,270	Tesco Property Finance 6, 5.411%, 13/07/2044 .....	402	0.58

# FTF Western Asset Global Multi Strategy Bond Fund

## PORTFOLIO OF INVESTMENTS (Continued)

Number of Shares or Face Value	Description	Market Value £000	% of Net Assets
<b>UNITED KINGDOM (Continued)</b>			
4,400,000	United Kingdom Gilt, 0.125%, 31/01/2024 .....	4,327	6.27
1,840,000	United Kingdom Gilt, 4.250%, 07/06/2032 .....	1,830	2.65
290,000	United Kingdom Gilt, 0.625%, 31/07/2035 .....	187	0.27
380,000	Vmed O2 UK Financing I, 4.500%, 15/07/2031 .....	297	0.43
400,000	Vodafone, 8.000%, 30/08/2086 .....	396	0.57
470,000	Whitbread, 2.375%, 31/05/2027 .....	407	0.59
100,000	Whitbread, 3.000%, 31/05/2031 .....	78	0.11
	<b>TOTAL - UNITED KINGDOM</b>	<b>13,018</b>	<b>18.87</b>
	<b>TOTAL - BONDS</b>	<b>64,314</b>	<b>93.22</b>
	<b>COLLECTIVE INVESTMENT SCHEMES 0.00% (0.01%)</b>		
	<b>DERIVATIVES (2.78%) (1.61%)</b>		
	<b>OPTIONS</b>		
87	US 10 Year 24/11/2023 113.0 .....	9	0.01
		<b>9</b>	<b>0.01</b>
	<b>FORWARD CURRENCY CONTRACTS</b>		
AUD 1,289,145	Buy AUD 1,289,145 sell GBP (666,615) dated 16/11/2023 .....	16	0.02
EUR 330,000	Buy EUR 330,000 sell GBP (284,572) dated 16/11/2023 .....	2	0.00
EUR 264,272	Buy EUR 264,272 sell PLN (1,230,000) dated 16/11/2023 .....	(1)	0.00
GBP 9,350,827	Buy GBP 9,350,827 sell EUR (10,803,910) dated 16/11/2023 .....	(36)	(0.05)
GBP 1,281,468	Buy GBP 1,281,468 sell MXN (28,465,835) dated 16/11/2023 .....	(50)	(0.07)
GBP 983,034	Buy GBP 983,034 sell PLN (5,070,000) dated 16/11/2023 .....	33	0.05
GBP 18,847,858	Buy GBP 18,847,858 sell USD (24,041,762) dated 16/11/2023 .....	(845)	(1.23)
GBP 1,153,206	Buy GBP 1,153,206 sell USD (1,471,688) dated 16/11/2023 .....	(52)	(0.08)
GBP 19,446,413	Buy GBP 19,446,413 sell USD (24,820,507) dated 16/11/2023 .....	(884)	(1.28)
GBP 500,345	Buy GBP 500,345 sell USD (638,590) dated 16/11/2023 .....	(23)	(0.03)
GBP 2,140,688	Buy GBP 2,140,688 sell USD (2,730,000) dated 16/11/2023 .....	(95)	(0.14)
JPY 131,441,000	Buy JPY 131,441,000 sell GBP (736,081) dated 16/11/2023 .....	(9)	(0.01)
JPY 232,531,288	Buy JPY 232,531,288 sell GBP (1,302,324) dated 16/11/2023 .....	(16)	(0.02)
MXN 13,818,000	Buy MXN 13,818,000 sell USD (781,910) dated 16/11/2023 .....	6	0.01
USD 450,000	Buy USD 450,000 sell GBP (355,501) dated 16/11/2023 .....	13	0.02
USD 200,000	Buy USD 200,000 sell GBP (161,556) dated 16/11/2023 .....	2	0.00
USD 500,000	Buy USD 500,000 sell GBP (408,198) dated 16/11/2023 .....	1	0.00
		<b>(1,938)</b>	<b>(2.81)</b>
	<b>FUTURES</b>		
20	Euro-Bund Future December 2023 .....	(46)	(0.07)
(51)	US 10 Year Note (CBT) Future December 2023 .....	82	0.12
8	US 2 Year Note (CBT) Future December 2023 .....	(5)	(0.01)
77	US 5 Year Note (CBT) Future December 2023 .....	(57)	(0.08)
5	US Long Bond (CBT) Future December 2023 .....	(23)	(0.03)
(9)	US Ultra Bond CBT Future December 2023 .....	60	0.09
		<b>11</b>	<b>0.02</b>
	<b>TOTAL - DERIVATIVES</b>	<b>(1,918)</b>	<b>(2.78)</b>
	<b>TOTAL VALUE OF INVESTMENTS</b> .....	<b>62,602</b>	<b>90.74</b>
	<b>OTHER ASSETS</b> .....	<b>6,388</b>	<b>9.26</b>
	<b>TOTAL NET ASSETS</b> .....	<b>68,990</b>	<b>100.00</b>

The total percentage figures in brackets next to each category heading represent holdings as at 31 March 2023.

Unless otherwise indicated, the holdings in the Portfolio of Investments represents the debt securities, ordinary shares, ordinary stock units or common shares of the relevant companies or issuers admitted to an official stock exchange.

<sup>1</sup> Income currently suspended on security.

<sup>2</sup> These securities are fair valued by the manager.

# FTF Western Asset Global Multi Strategy Bond Fund

## STATEMENT OF TOTAL RETURN For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Income</b>				
Net capital losses		(1,709)		(3,190)
Revenue	2,345		96	
Expenses	(128)		(9)	
Interest payable and similar charges	(36)		(4)	
Net revenue before taxation	2,181		83	
Taxation	(2)		(5)	
Net revenue after taxation		2,179		78
<b>Total return before distributions</b>		<b>470</b>		<b>(3,112)</b>
Distributions		(2,323)		-
<b>Change in net assets attributable to shareholders</b>		<b>(1,853)</b>		<b>(3,112)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS For the period 1 April 2023 to 30 September 2023

	30 September 2023	30 September 2023	30 September 2022	30 September 2022*
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>70,175</b>		<b>-</b>
Amounts received on creation of shares	1,991		72,499	
Amounts paid on cancellation of shares	(1,453)		(4)	
		538		72,495
Change in net assets attributable to shareholders from investment activities (see above)		(1,853)		(3,112)
Retained distribution on accumulation shares		130		-
<b>Closing net assets attributable to shareholders</b>		<b>68,990</b>		<b>69,383</b>

The opening net assets attributable to shareholders for the current period do not equal the closing net assets attributable to shareholders for the comparative period as they are not consecutive periods.

## BALANCE SHEET As at 30 September 2023

	30 September 2023	31 March 2023*
	£000	£000
<b>Assets</b>		
Fixed assets		
Investments	64,744	62,948
Current assets		
Debtors	1,808	2,808
Cash and bank balances	5,508	5,443
Total assets	72,060	71,199
<b>Liabilities</b>		
Investment liabilities	(2,142)	(272)
Creditors		
Distributions payable	(386)	(369)
Other creditors	(542)	(383)
Total liabilities	(3,070)	(1,024)
<b>Net assets attributable to shareholders</b>	<b>68,990</b>	<b>70,175</b>

\* The Fund launched on 23 September 2022.

# FTF Western Asset Global Multi Strategy Bond Fund

## DISTRIBUTION TABLES For the period 1 April 2023 to 30 September 2023

### For the period 1 April 2023 to 30 April 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased in the period 1 April 2023 to 30 April 2023

	Net Income	Equalisation	30 April 2023 Pence per Share	30 April 2022 Pence per Share
	p	p	p	p
<b>S Accumulation Shares</b>				
Group 1	0.7687	-	0.7687	-
Group 2	0.5215	0.2472	0.7687	-
<b>S Income Shares</b>				
Group 1	0.5081	-	0.5081	-
Group 2	0.0381	0.4700	0.5081	-
<b>W Accumulation Shares</b>				
Group 1	0.5884	-	0.5884	-
Group 2	0.5884	-	0.5884	-
<b>W Income Shares</b>				
Group 1	0.3905	-	0.3905	-
Group 2	0.1494	0.2411	0.3905	-

### For the period 1 May 2023 to 31 May 2023

Group 1 Shares purchased prior to 1 May 2023

Group 2 Shares purchased in the period 1 May 2023 to 31 May 2023

	Net Income	Equalisation	31 May 2023 Pence per Share	31 May 2022 Pence per Share
	p	p	p	p
<b>S Accumulation Shares</b>				
Group 1	0.7122	-	0.7122	-
Group 2	0.4826	0.2296	0.7122	-
<b>S Income Shares</b>				
Group 1	0.4680	-	0.4680	-
Group 2	0.0120	0.4560	0.4680	-
<b>W Accumulation Shares</b>				
Group 1	0.5454	-	0.5454	-
Group 2	0.5454	0.0000	0.5454	-
<b>W Income Shares</b>				
Group 1	0.3598	-	0.3598	-
Group 2	0.1599	0.1999	0.3598	-

# FTF Western Asset Global Multi Strategy Bond Fund

## DISTRIBUTION TABLES (Continued)

### For the period 1 June 2023 to 30 June 2023

Group 1 Shares purchased prior to 1 June 2023

Group 2 Shares purchased in the period 1 June 2023 to 30 June 2023

	Net Income	Equalisation	30 June 2023 Pence per Share	30 June 2022 Pence per Share
	p	p	p	p
<b>S Accumulation Shares</b>				
Group 1	0.6548	-	0.6548	-
Group 2	0.5011	0.1537	0.6548	-
<b>S Income Shares</b>				
Group 1	0.4277	-	0.4277	-
Group 2	0.0000	0.4277	0.4277	-
<b>W Accumulation Shares</b>				
Group 1	0.5016	-	0.5016	-
Group 2	0.5016	0.0000	0.5016	-
<b>W Income Shares</b>				
Group 1	0.3288	-	0.3288	-
Group 2	0.1552	0.1736	0.3288	-

### For the period 1 July 2023 to 31 July 2023

Group 1 Shares purchased prior to 1 July 2023

Group 2 Shares purchased in the period 1 July 2023 to 31 July 2023

	Net Income	Equalisation	31 July 2023 Pence per Share	31 July 2022 Pence per Share
	p	p	p	p
<b>S Accumulation Shares</b>				
Group 1	0.7252	-	0.7252	-
Group 2	0.4040	0.3212	0.7252	-
<b>S Income Shares</b>				
Group 1	0.4717	-	0.4717	-
Group 2	0.0038	0.4679	0.4717	-
<b>W Accumulation Shares</b>				
Group 1	0.5551	-	0.5551	-
Group 2	0.5551	0.0000	0.5551	-
<b>W Income Shares</b>				
Group 1	0.3625	-	0.3625	-
Group 2	0.1153	0.2472	0.3625	-

# FTF Western Asset Global Multi Strategy Bond Fund

## DISTRIBUTION TABLES (Continued)

### For the period 1 August 2023 to 31 August 2023

Group 1 Shares purchased prior to 1 August 2023

Group 2 Shares purchased in the period 1 August 2023 to 31 August 2023

	Net Income	Equalisation	31 August 2023 Pence per Share	31 August 2022 Pence per Share
	p	p	p	p
<b>S Accumulation Shares</b>				
Group 1	0.7425	-	0.7425	-
Group 2	0.4433	0.2992	0.7425	-
<b>S Income Shares</b>				
Group 1	0.4801	-	0.4801	-
Group 2	0.0009	0.4792	0.4801	-
<b>W Accumulation Shares</b>				
Group 1	0.5682	-	0.5682	-
Group 2	0.5682	0.0000	0.5682	-
<b>W Income Shares</b>				
Group 1	0.3691	-	0.3691	-
Group 2	0.2187	0.1504	0.3691	-

### For the period 1 September 2023 to 30 September 2023

Group 1 Shares purchased prior to 1 September 2023

Group 2 Shares purchased in the period 1 September 2023 to 30 September 2023

	Net Income	Equalisation	30 September 2023 Pence per Share	30 September 2022 Pence per Share
	p	p	p	p
<b>S Accumulation Shares</b>				
Group 1	0.7793	-	0.7793	-
Group 2	0.5112	0.2681	0.7793	-
<b>S Income Shares</b>				
Group 1	0.5011	-	0.5011	-
Group 2	0.0215	0.4796	0.5011	-
<b>W Accumulation Shares</b>				
Group 1	0.5964	-	0.5964	-
Group 2	0.5964	0.0000	0.5964	-
<b>W Income Shares</b>				
Group 1	0.3851	-	0.3851	-
Group 2	0.2118	0.1733	0.3851	-

### Equalisation

All shareholders, within each share category, receive the same distribution per share, although the distribution to shareholders who purchased shares during the distribution period (Group 2 holdings) contains an element of equalisation which is a repayment, at an average rate per share, of the amount of accrued net income which was included in the purchase price of such shares. As the nature of this payment is capital it is not subject to income tax but must be deducted from the purchase price in any capital gains tax computation on the sale of the shares.

## FURTHER INFORMATION

### Accounting reference and other dates

Subject to the FCA Rules, the accounting reference dates, interim accounting reference dates, distribution pay dates, grouping periods and dates of publication of annual and interim reports of each of the Funds are as follows:

*Accounting Reference Date (i.e. the financial year end) and Interim Accounting Period: 31 March and 1 April to 30 September.*

*Publication of Annual and Interim Reports: by 31 July and 30 November.*

### Distribution pay dates\*

	31 May	31 August	30 November	28 February **
Franklin Mutual Shares Fund				
FTF Brandywine Global Income Optimiser Fund	X	X	X	X
FTF Clearbridge Global Infrastructure Income Fund	X	X	X	X
FTF ClearBridge US Equity Income Fund	X	X	X	X
FTF ClearBridge US Value Fund	X			
FTF Franklin Sterling Corporate Bond Fund	X	X	X	X
FTF Franklin UK Gilt Fund	X	X	X	X
FTF Franklin US Opportunities Fund	X			
FTF Martin Currie Asia Unconstrained Fund	X	X	X	X
FTF Martin Currie Emerging Markets Fund	X			
FTF Martin Currie European Unconstrained Fund	X	X	X	X
FTF Martin Currie Global Unconstrained Fund	X	X	X	X
FTF Martin Currie Japan Equity Fund	X			
FTF Martin Currie UK Equity Income Fund	X	X	X	X
FTF Martin Currie UK Managers' Focus Fund	X		X	
FTF Martin Currie UK Mid Cap Fund	X		X	
FTF Martin Currie UK Opportunities Fund	X		X	
FTF Martin Currie UK Rising Dividends Fund	X	X	X	X
FTF Martin Currie UK Smaller Companies Fund	X		X	
FTF Martin Currie US Unconstrained Fund	X			
FTF Royce US Smaller Companies Fund	X			
FTF Templeton Global Emerging Markets Fund	X			
FTF Templeton Global Leaders Fund	X		X	
FTF Templeton Global Total Return Bond Fund	X	X	X	X
FTF Western Asset Global Multi Strategy Bond Fund***	X	X	X	X

\*or the last Business Day of the relevant period if the Distribution Pay Dates are not Business Days in any particular year.

\*\*29 February in a leap year.

\*\*\*Fund distributes monthly at the end of each month.

### Shares

A summary of Shares Classes which are launched and available for investment can be found detailed in the prospectus.

A Net Income Share is a Share in respect of which net income is to be distributed in accordance with its share in the property of the relevant Fund. Cash distributions of income are made in respect of Net Income Shares.

A Net Accumulation Share is a Share in respect of which the net income allocated after the date of issue thereof is to be accumulated in the proportion of the value of the property of the relevant Fund as may from time to time apply thereto. Where net Accumulation Shares are in issue, no cash distributions are made and no additional Shares are issued. Instead, the income available for distribution is re-invested and the re-investment reflected in the price of the Net Accumulation Share.

### Charges

#### The ACD's periodic remuneration

The ACD is entitled to receive out of the scheme property of each Fund for its own account, monthly on the last Business Day of each month or as soon as possible thereafter, the amount of the annual management charge accrued to it during that month. Under current VAT legislation, no VAT is payable on the ACD's remuneration. This annual management charge is calculated daily based on the assets of each Fund at the Valuation Point on the previous business day adjusted for capital movements due to unit dealing.

## FURTHER INFORMATION *(Continued)*

### Charges *(Continued)*

#### The ACD's periodic remuneration *(Continued)*

The table below summarises the rates of the ACD's annual management charge for each of the Funds.

	EB Shares (per annum) %	S Shares (per annum) %	W Shares (per annum) %	Charge taken from Income or Capital
Franklin Mutual Shares Fund	N/A	N/A	N/A	N/A
FTF Brandywine Global Income Optimiser Fund	0.25	0.35	0.45	Capital
FTF Clearbridge Global Infrastructure Income Fund	0.40	0.60	0.75	Capital
FTF ClearBridge US Equity Income Fund	0.45	N/A	0.75	Capital
FTF ClearBridge US Value Fund	N/A	N/A	0.675	Income
FTF Franklin Sterling Corporate Bond Fund	N/A	N/A	0.35	Capital
FTF Franklin UK Gilt Fund	N/A	N/A	0.25	Capital
FTF Franklin US Opportunities Fund	N/A	N/A	0.75	Income
FTF Martin Currie Asia Unconstrained Fund	N/A	N/A	0.75	Income
FTF Martin Currie Emerging Markets Fund	0.55	N/A	0.75	Income
FTF Martin Currie European Unconstrained Fund	0.35	N/A	0.75	Income
FTF Martin Currie Global Unconstrained Fund	0.40	N/A	0.75	Income
FTF Martin Currie Japan Equity Fund	N/A	N/A	0.75	Income
FTF Martin Currie UK Equity Income Fund	N/A	0.35	0.45	Capital
FTF Martin Currie UK Managers' Focus Fund	N/A	0.55	0.75	Income
FTF Martin Currie UK Mid Cap Fund	N/A	0.55	0.75	Income
FTF Martin Currie UK Opportunities Fund	N/A	N/A	0.45	Income
FTF Martin Currie UK Rising Dividends Fund	N/A	N/A	0.45	Capital
FTF Martin Currie UK Smaller Companies Fund	N/A	0.65	0.75	Income
FTF Martin Currie US Unconstrained Fund	N/A	N/A	0.75	Income
FTF Royce US Smaller Companies Fund	N/A	N/A	0.75	Income
FTF Templeton Global Emerging Markets Fund	N/A	0.60	0.90	Income
FTF Templeton Global Leaders Fund	N/A	N/A	0.70	Income
FTF Templeton Global Total Return Bond Fund	N/A	N/A	0.55	Income
FTF Western Asset Global Multi Strategy Bond Fund	N/A	0.40	0.55	Capital

Such periodic remuneration is taken in each case at the rate of one-twelfth thereof each month. These rates are calculated by reference to the Net Asset Value of a Fund referable to the EB Shares, S Shares, and W Shares respectively.

The ACD is entitled to receive a monthly administration charge out of property of each Fund to be calculated, accrued and payable in the same manner and at the same time as the ACD's annual management charge.

The current administration charge in respect of all Class EB, Class S, and Class W Shares is 0.05% per annum (plus any VAT or any equivalent tax thereon), and the maximum permitted administration charge in the case of all Funds is 0.10% (plus any VAT or any equivalent tax thereon).

Any increase of the preliminary charge or ACD's annual management charge may be made by the ACD, if it is deemed by the ACD to be a significant rather than a fundamental change (as set out in the provisions of the FCA Rules) only after:

- giving 60 days' written notice to all Shareholders (in the case of an increase of the annual management charge) or to regular savers (in the case of the preliminary charge), and
- the ACD revises the prospectus to reflect the proposed increase.

If such a change is deemed fundamental it will require the approval of the Shareholders.

#### Subsequent events

There are no subsequent events in the current year or prior year.

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**FURTHER INFORMATION** *(Continued)***Additional Information**

Full written details of the terms of Franklin Templeton Funds are contained in the Prospectus, Instrument of Incorporation and Key Investor Information Documents, copies of which are available free of charge from:

Franklin Templeton Fund Management Limited  
Cannon Place  
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**Client Dealer Services**

Freefone: 0800 305 306  
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**Note for Investors**

The value of shares and the income therefrom may go down as well as up and is not guaranteed. Past performance is not necessarily a guide to future performance.

In particular, some investments held may be designated in currencies other than Sterling and so may rise and fall purely on account of exchange rate fluctuations.

Investors should be aware of the risks associated with this type of investment and should take a medium to long-term view of returns.

Emerging markets can be riskier than developed markets.



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