

# FRANKLIN GLOBAL EQUITY INDEX (USD)

The Franklin Global Equity Index is based on the MSCI ACWI Index, its parent index, which includes large and mid-cap stocks across 23 Developed Markets (DM) and 23 Emerging Markets (EM) countries. It is designed to reflect the performance of a strategy that seeks exposure to four factors: Quality, Value, Momentum and Low Volatility.

## CUMULATIVE INDEX PERFORMANCE - NET RETURNS (USD) (NOV 2002 – APR 2016)



## ANNUAL PERFORMANCE (%)

Year	Franklin Global Equity	MSCI ACWI
2015	-1.62	-2.36
2014	5.92	4.16
2013	21.14	22.80
2012	14.49	16.13
2011	2.24	-7.35
2010	12.02	12.67
2009	33.80	34.63
2008	-36.74	-42.19
2007	20.78	11.66
2006	24.07	20.95
2005	13.39	10.84
2004	21.03	15.23
2003	29.79	33.99

## INDEX PERFORMANCE — NET RETURNS (%) (APR 29, 2016)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED			
					3 Yr	5 Yr	10 Yr	Since Nov 29, 2002
Franklin Global Equity	0.32	7.38	-3.06	3.37	5.76	6.80	6.86	10.55
MSCI ACWI	1.48	8.25	-5.66	1.72	5.06	4.69	3.89	7.49

## FUNDAMENTALS (APR 29, 2016)

Div Yld (%)	P/E	P/E Fwd	P/BV
3.19	16.27	15.04	2.76
2.67	18.97	15.36	2.00

## INDEX RISK AND RETURN CHARACTERISTICS (NOV 29, 2002 – APR 29, 2016)

				ANNUALIZED STD DEV (%) 2			SHARPE RATIO 2, 3				MAXIMUM DRAWDOWN	
	Beta	Tracking Error (%)	Turnover (%) 1	3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr	Since Nov 29, 2002	(%)	Period YYYY-MM-DD
Franklin Global Equity	0.87	3.66	27.45	10.97	11.51	15.21	0.55	0.61	0.43	0.68	51.76	2007-10-29—2009-03-09
MSCI ACWI	1.00	0.00	3.18	11.98	13.62	17.04	0.45	0.39	0.23	0.44	58.38	2007-10-31—2009-03-09
			1 Last 12 months		2 Based on monthly net returns data				3 Based on BBA LIBOR 1M			

<sup>1</sup> Last 12 months

<sup>2</sup> Based on monthly net returns data

<sup>3</sup> Based on BBA LIBOR 1M

\* DM countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the UK and the US. EM countries include: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Russia, Qatar, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

The Franklin Global Equity Index was launched on Apr 18, 2016. Data prior to the launch date is back-tested data (i.e. calculations of how the index might have performed over that time period had the index existed). There are frequently material differences between back-tested performance and actual results. Past performance -- whether actual or back-tested -- is no indication or guarantee of future performance.

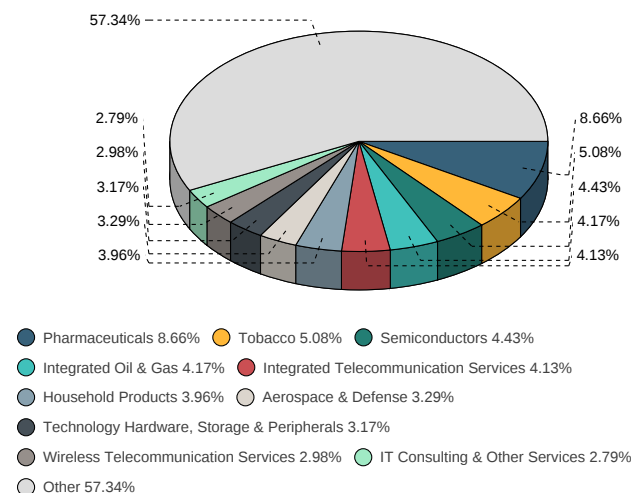
## INDEX CHARACTERISTICS

	Franklin Global Equity	MSCI ACWI
Number of Constituents	596	2,480
	Weight (%)	
Largest	1.2	1.5
Smallest	0.41 bps	0.11 bps
Average	16.78 bps	4.03 bps
Median	6.14 bps	1.61 bps

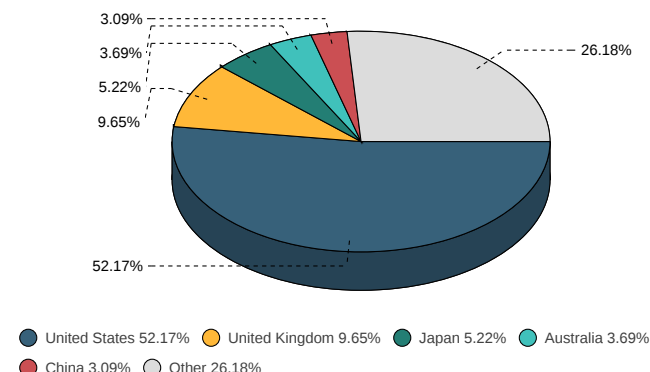
## TOP 10 CONSTITUENTS

	Country	Index Wt. (%)	Parent Index Wt. (%)	Sector	Sector Wt. (%)
UNITEDHEALTH GROUP	US	1.16	0.35	Health Care	8.5
AT&T	US	1.15	0.66	Telecom Srvcs	16.1
WAL-MART STORES	US	1.12	0.30	Cons Staples	6.0
PHILIP MORRIS INTL	US	1.12	0.42	Cons Staples	5.9
JOHNSON & JOHNSON	US	1.10	0.86	Health Care	8.0
TAIWAN SEMICONDUCTOR MFG	TW	1.09	0.32	Info Tech	6.6
ALTRIA GROUP	US	1.08	0.34	Cons Staples	5.8
EXXON MOBIL CORP	US	1.07	1.02	Energy	17.1
MCDONALD'S CORP	US	1.07	0.32	Cons Discr	7.3
PROCTER & GAMBLE CO	US	1.07	0.61	Cons Staples	5.7
Total		11.02	5.21		

## SUB-INDUSTRY WEIGHTS



## COUNTRY WEIGHTS



## INDEX METHODOLOGY

The Franklin Global Equity Index aims to capture the targeted style factors with a simple and transparent methodology that ensures reasonably high trading liquidity and investment capacity of the constituent companies, as well as moderate index turnover. A style factor z-score for each security is calculated by combining region relative z-scores of the underlying descriptors. A region relative z-score is computed for an underlying descriptor by standardizing the individual descriptor z-scores within specific sector groups for each region. The composite factor z-score is then computed by custom weighting the style factors z-score. The Franklin Global Equity Index is constructed with a fixed number of securities approach. All the constituents of the Parent Index are ranked based on their composite factor z-score and 600 securities with the highest rank are selected. The securities included are weighted by the product of their market cap weight in the parent index and their composite factor score. Issuer weights are capped at 1%. The Franklin Global Equity Index is rebalanced on a semi-annual basis, as of the close of the last business day of May and November.

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