

Franklin Universal Trust

4. Address of principal executive office: (number, street, city, state, zip code)

One Franklin Parkway, San Mateo, CA 94403

[PWC LOGO]

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of

Franklin Limited Duration Income Trust
Templeton Global Investment Trust
Franklin Real Estate Securities Trust
Franklin Strategic Series
Franklin High Income Trust
Franklin Money Fund
Franklin Templeton Money Fund Trust
Institutional Fiduciary Trust
Franklin Global Trust
Franklin Gold and Precious Metals Fund
Franklin Universal Trust
Templeton China World Fund
Templeton Emerging Markets Fund
Templeton Emerging Markets Income Fund
Templeton Global Income Fund
Templeton Income Trust
Franklin Custodian Funds
Franklin Strategic Mortgage Portfolio
Franklin Investors Securities Trust
Franklin Templeton Global Trust
Franklin Templeton International Trust
Franklin Value Investors Trust
Templeton Developing Markets Trust
Franklin Fund Allocator Series
Franklin Templeton Variable Insurance Products Trust
Templeton Institutional Funds
Franklin ETF Trust

and the Board of Directors of

Templeton Russia and East European Fund, Inc.
Templeton Dragon Fund, Inc.

PricewaterhouseCoopers LLP, PricewaterhouseCoopers Center, 300 Madison Avenue,
New York, NY 10017 T: (646) 471 3000, F: (813) 286 6000, www.pwc.com/us

We have examined management's assertion, included in the accompanying Management Statement Regarding Compliance with Certain Provisions of the Investment Company Act of 1940, that the funds (see Attachment I), (hereafter referred to as the "Funds") complied with the requirements of subsections (b) and (c) of Rule 17f-2 under the Investment Company Act of 1940 ("the Act") as of January 31, 2015. Management is responsible for the Funds' compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Funds' compliance based on our examination.

Our examination was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included examining, on a test basis, evidence about the Funds' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. Included among our procedures were the following tests performed as of January 31, 2015 and with respect to agreement of security purchases and sales, for the periods indicated in Attachment I:

- Without prior notice to management, confirmation of all securities held by Franklin Templeton Investors Services, Inc., transfer agent, as they pertain to the security positions owned by the Funds and held in book entry form.
- Reconciliation of such security positions to the books and records of the Funds.
- Agreement of 100 security purchases and 100 security sales, since our last report, from the books and records of the Funds to the records of the transfer agent.

We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Funds' compliance with specified requirements.

In our opinion, management's assertion that the Funds were in compliance with the requirements of subsections (b) and (c) of Rule 17f-2 of the Investment Company Act of 1940 as of January 31, 2015 with respect to securities reflected in the investment accounts of the Funds is fairly stated, in all material respects.

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This report is intended solely for the information and use of, management, the Board of Trustees and Board of Directors and the Securities and Exchange Commission and is not intended to be and should not be used by anyone other than these specified parties.

/s/PRICEWATERHOUSECOOPERS, LLP

May 29, 2015

Management Statement Regarding Compliance With Certain

Provisions of the Investment Company Act of 1940

We, as members of management of the Franklin Templeton Funds indicated in Attachment I (the "Funds"), are responsible for complying with the requirements of subsections (b) and (c) of Rule 17f-2, "Custody of Investments by Registered Management Investment Companies," of the Investment Company Act of 1940. We are also responsible for establishing and maintaining effective internal controls over compliance with those requirements. We have performed an evaluation of the Funds' compliance with the requirements of subsection (b) of Rule 17f-2, as interpreted in Franklin Investors Securities Trust SEC No-Action Letter (publicly available September 24, 1992), and subsection (c) of Rule 17f-2 of the Investment Company Act of 1940, as of January 31, 2015, and for the periods indicated in Attachment I.

Based on this evaluation, we assert that the Funds were in compliance with the requirements of subsection (b) of Rule 17f-2, as interpreted in Franklin Investors Securities Trust SEC No-Action Letter (publicly available September 24, 1992), and subsection (c) of Rule 17f-2 of the Investment Company Act of 1940, as of January 31, 2015, and for the periods indicated in Attachment I, with respect to securities reflected in the investment accounts of the Funds.

By:

/s/GASTON GARDEY

Gaston Gardey

Chief Financial Officer and Chief Accounting Officer

Franklin Funds Board

Date May 29, 2015

/s/MARK H. OTANI

Mark H. Otani

Chief Financial Officer and Chief Accounting Officer

Templeton Funds Board

Date May 29, 2015

/s/ROBERT G. KUBILIS

Robert G. Kubilis

Chief Financial Officer and Chief Accounting Officer

Franklin New Jersey Funds Board

Date May 29, 2015

/s/LAURA F. FERGERSON

Laura F. Ferguson

Chief Executive Officer - Finance and Administration

Date May 29, 2015

Attachment I

| Fund | Period |
|--|---------------------------------|
| Franklin Limited Duration Income Trust | July 1, 2014 - January 31, 2015 |
| Templeton Global Investment Trust: | |
| Templeton BRIC Fund | July 1, 2014 - January 31, 2015 |
| Templeton Emerging Markets Balanced Fund | July 1, 2014 - January 31, 2015 |
| Templeton Emerging Markets Small Cap Fund | July 1, 2014 - January 31, 2015 |
| Templeton Frontier Markets Fund | July 1, 2014 - January 31, 2015 |
| Templeton Global Balanced Fund | July 1, 2014 - January 31, 2015 |
| Templeton Russia and East European Fund, Inc. | July 1, 2014 - January 31, 2015 |
| Franklin Real Estate Securities Trust: | |
| Franklin Real Estate Securities Fund | July 1, 2014 - January 31, 2015 |
| Franklin Strategic Series: | |
| Franklin Biotechnology Discovery Fund | July 1, 2014 - January 31, 2015 |
| Franklin Flex Cap Growth Fund | July 1, 2014 - January 31, 2015 |
| Franklin Focused Core Equity Fund | July 1, 2014 - January 31, 2015 |
| Franklin Global Government Bond Fund | July 1, 2014 - January 31, 2015 |
| Franklin Growth Opportunities Fund | July 1, 2014 - January 31, 2015 |
| Franklin Natural Resources Fund | July 1, 2014 - January 31, 2015 |
| Franklin Small Cap Growth Fund | July 1, 2014 - January 31, 2015 |
| Franklin Small-Mid Cap Growth Fund | July 1, 2014 - January 31, 2015 |
| Franklin Strategic Income Fund | July 1, 2014 - January 31, 2015 |
| Franklin High Income Trust: | |
| Franklin High Income Fund | July 1, 2014 - January 31, 2015 |
| Franklin Money Fund | July 1, 2014 - January 31, 2015 |
| Franklin Templeton Money Fund Trust: | |
| Franklin Templeton Money Fund | July 1, 2014 - January 31, 2015 |
| Institutional Fiduciary Trust: | |
| Money Market Portfolio | July 1, 2014 - January 31, 2015 |
| Franklin Global Trust: | |
| Franklin Emerging Market Debt Opportunities Fund | July 1, 2014 - January 31, 2015 |
| Franklin International Growth Fund | July 1, 2014 - January 31, 2015 |
| Franklin Large Cap Equity Fund | July 1, 2014 - January 31, 2015 |
| Franklin Gold and Precious Metals Fund | July 1, 2014 - January 31, 2015 |

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| Franklin Universal Trust | July 1, 2014 - January 31, 2015 |
| Templeton China World Fund | July 1, 2014 - January 31, 2015 |
| Templeton Emerging Markets Fund | July 1, 2014 - January 31, 2015 |
| Templeton Emerging Markets Income Fund | July 1, 2014 - January 31, 2015 |
| Templeton Global Income Fund | July 1, 2014 - January 31, 2015 |
| Templeton Income Trust: | |
| Templeton Constrained Bond Fund | July 1, 2014 - January 31, 2015 |
| Templeton Emerging Markets Bond Fund | July 1, 2014 - January 31, 2015 |
| Templeton Global Bond Fund | July 1, 2014 - January 31, 2015 |
| Templeton Global Total Return Fund | July 1, 2014 - January 31, 2015 |
| Templeton International Bond Fund | July 1, 2014 - January 31, 2015 |
| Franklin Custodian Funds: | |
| Franklin DynaTech Fund | July 1, 2014 - January 31, 2015 |
| Franklin Growth Fund | July 1, 2014 - January 31, 2015 |
| Franklin Income Fund | July 1, 2014 - January 31, 2015 |
| Franklin U.S. Government Securities Fund | July 1, 2014 - January 31, 2015 |
| Franklin Utilities Fund | July 1, 2014 - January 31, 2015 |
| Franklin Strategic Mortgage Portfolio | July 1, 2014 - January 31, 2015 |
| Franklin Investors Securities Trust: | |
| Franklin Adjustable U.S. Government Securities Fund | July 1, 2014 - January 31, 2015 |
| Franklin Balanced Fund | July 1, 2014 - January 31, 2015 |
| Franklin Convertible Securities Fund | July 1, 2014 - January 31, 2015 |
| Franklin Equity Income Fund | July 1, 2014 - January 31, 2015 |
| Franklin Floating Rate Daily Access Fund | July 1, 2014 - January 31, 2015 |
| Franklin Low Duration Total Return Fund | July 1, 2014 - January 31, 2015 |
| Franklin Total Return Fund | July 1, 2014 - January 31, 2015 |
| Franklin Templeton Global Trust: | |
| Templeton Hard Currency Fund | July 1, 2014 - January 31, 2015 |
| Franklin Templeton International Trust: | |
| Franklin Global Allocation Fund | July 1, 2014 - January 31, 2015 |
| Franklin India Growth Fund | July 1, 2014 - January 31, 2015 |
| Franklin World Perspectives Fund | July 1, 2014 - January 31, 2015 |
| Franklin Value Investors Trust: | |
| Franklin All Cap Value Fund | July 1, 2014 - January 31, 2015 |
| | July 1, 2014 - January 31, 2015 |

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| Franklin Balance Sheet Investment Fund | |
| Franklin Large Cap Value Fund | July 1, 2014 - January 31, 2015 |
| Franklin MicroCap Value Fund | July 1, 2014 - January 31, 2015 |
| Franklin MidCap Value Fund | July 1, 2014 - January 31, 2015 |
| Franklin Small Cap Value Fund | July 1, 2014 - January 31, 2015 |

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| Templeton Developing Markets Trust | July 1, 2014 - January 31, 2015 |
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Franklin Fund Allocator Series:

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| Franklin Conservative Allocation Fund | July 1, 2014 - January 31, 2015 |
| Franklin Corefolio Allocation Fund | July 1, 2014 - January 31, 2015 |
| Franklin Founding Funds Allocation Fund | July 1, 2014 - January 31, 2015 |
| Franklin Growth Allocation Fund | July 1, 2014 - January 31, 2015 |
| Franklin LifeSmart 2015 Retirement Target Fund | July 1, 2014 - January 31, 2015 |
| Franklin LifeSmart 2020 Retirement Target Fund | July 1, 2014 - January 31, 2015 |
| Franklin LifeSmart 2025 Retirement Target Fund | July 1, 2014 - January 31, 2015 |
| Franklin LifeSmart 2030 Retirement Target Fund | July 1, 2014 - January 31, 2015 |
| Franklin LifeSmart 2035 Retirement Target Fund | July 1, 2014 - January 31, 2015 |
| Franklin LifeSmart 2040 Retirement Target Fund | July 1, 2014 - January 31, 2015 |
| Franklin LifeSmart 2045 Retirement Target Fund | July 1, 2014 - January 31, 2015 |
| Franklin LifeSmart 2050 Retirement Target Fund | July 1, 2014 - January 31, 2015 |
| Franklin Moderate Allocation Fund | July 1, 2014 - January 31, 2015 |
| Franklin Multi-Asset Real Return Fund | July 1, 2014 - January 31, 2015 |

Franklin Templeton Variable Insurance Products Trust:

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| Franklin Flex Cap Growth VIP Fund | July 1, 2014 - January 31, 2015 |
| Franklin Founding Funds Allocation VIP Fund | July 1, 2014 - January 31, 2015 |
| Franklin Large Cap Value VIP Fund | July 1, 2014 - November 7, 2014 |
| Franklin Managed Volatility Global Allocation VIP Fund | July 1, 2014 - January 31, 2015 |
| Franklin Rising Dividends VIP Fund | July 1, 2014 - January 31, 2015 |
| Franklin Small Cap Value VIP Fund | July 1, 2014 - January 31, 2015 |
| Franklin Small-Mid Cap Growth VIP Fund | July 1, 2014 - January 31, 2015 |
| Franklin Strategic Income VIP Fund | July 1, 2014 - January 31, 2015 |
| Templeton Developing Markets VIP Fund | July 1, 2014 - January 31, 2015 |
| Templeton Foreign VIP Fund | July 1, 2014 - January 31, 2015 |

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| Templeton Dragon Fund, Inc. | July 1, 2014 - January 31, 2015 |
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Templeton Institutional Funds:

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|-------------------------|---------------------------------|
| Emerging Markets Series | July 1, 2014 - January 31, 2015 |
| Foreign Equity Series | July 1, 2014 - January 31, 2015 |

Franklin ETF Trust:

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| Franklin Short Duration U.S. Government ETF | July 1, 2014 - January 31, 2015 |
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