



FRANKLIN
TEMPLETON

“The oak fought the wind and was broken, the willow bent when it must and survived.” Robert Jordan

December 29, 2023

Dear Investor,

On December 1, 2023, two of our flagship funds, Franklin India Bluechip Fund and Franklin India Prima Fund completed 3 decades. This is not an ordinary milestone but a journey of resilience, staying true to label, and creating wealth for investors.

We would like to express our heartfelt gratitude to you for your strong support, patience, and commitment and being a part of Franklin Templeton’s growth story in India.

Trees are an appropriate metaphor for investing. When nurtured, they grow gradually but inexorably. Upon maturity they yield their bounty—shade, nuts, and sweet fruit. Yet some trees withstand adversity better than others. Resilience requires flexibility, and in heavy winds, the willow’s ability to bend is superior to the oak’s girth. We expect markets to experience many storms. Portfolios that bend but don’t break are best suited to provide the resiliency for what lies ahead.

The Global Investment Outlook shared by experts in Franklin Templeton guides us to embrace flexibility, be resilient and opportunistic. We are getting ready to step into 2024 with markets at record highs in India. There are expectations that the Indian economy is poised to be one of the fastest-growing economies in the world. However, globally, an economic slowdown is expected in 2024. Politics may also create turbulence and uncertainty, as there are 40 upcoming national elections representing 41% of the global population in 2024 alone. Russia, India, the European Union and, the United States, will hold elections that will likely re-shape the path of global affairs in the second half of the decade. Security and defence spending, both in the United States and globally, are likely to increase in almost any political outcome, given the disappearance of the “peace dividend” in Europe, the Middle East, and the Far East. A major surprise for 2024 would be an end to regional conflicts, namely the war between Russia-Ukraine and Israel-Hamas. This could provide a more favourable economic backdrop than is currently discounted in markets.

Given these conditions, a bias towards ensuring the resilience of investment portfolios is warranted if not necessary. We continue to focus on the long term and look for high quality companies that have long secular growth potential and are trading at reasonable valuations. Our belief is that a portfolio comprised of such companies has a higher probability of outperforming over the long term. However, market volatility in the short term can create attractive investment opportunities that investors should be prepared to take advantage of. Investing in the appropriate diversified mix of stocks, bonds, and alternative investments, will be particularly important in navigating these difficult conditions.

Stephen Dover, Head of Franklin Templeton Institute, recently discussed the fixed income landscape with other fund managers and research analysts and why they believe 2024 will be a good year for fixed income investors. [You can read their thoughts and ideas here.](#)



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Money Control recently had a conversation with our Portfolio Manager, Ajay Argal and you can [read here his interview on the equity markets and way forward for 2024](#).

Hope you find these insights useful.

I would also like to share that we have new branch addresses in Nashik, Ahmedabad, and Jalandhar. Please do reach out to your distributor, advisor, or our customer service team for any further information.

As always, you can directly write to me at avisatwalekar@franklintempleton.com with any feedback and questions. I value your questions, and feedback and look forward to the opportunity of continuing to meet your investment needs.

Once again, thank you for being a part of our legacy. The journey continues as we are always better together.

Wish you a happy and prosperous 2024.

Sincerely,

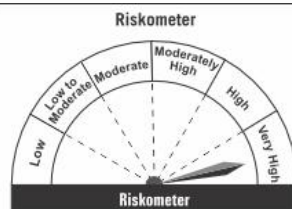
Avinash Satwalekar

President, Franklin Templeton Asset Management (India) Pvt. Ltd.

PRODUCT LABEL

This fund is suitable for investors who are seeking*:

Franklin India Bluechip Fund (An open ended equity scheme predominantly investing in large cap stocks): • Long term capital appreciation • A fund that primarily invests in large-cap stocks.
Franklin India Prima Fund (An open ended equity scheme predominantly investing in mid cap stocks): • Long term capital appreciation • A fund that primarily invests in midcap stocks
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them. ^This riskometer(s) will be evaluated and updated on a monthly basis. Refer <https://www.franklintempletonindia.com> for latest riskometer(s).



Investors understand that their principal will be at Very High Risk

^Riskometer is as on November 30, 2023

Disclaimer: The information contained in this communication is not a complete representation of every material fact and is for informational purposes only. Statements/ opinions/recommendations in this communication which contain words or phrases such as “will”, “expect”, “could”, “believe” and similar expressions or variations of such expressions are “forward – looking statements”. Actual results may differ materially from those suggested by the forward-looking statements due to risk or uncertainties associated with our expectations with respect to, but not limited to, exposure to market risk, general economic and political conditions in India and other countries globally, which have an impact on the service and / or investments. The AMC, Trustee, their associates, officers, or employees or holding companies do not assure or guarantee any return of principle or assurance of income on investments in these schemes. Please read the Scheme Information Document carefully in its entirety prior to making an investment decision and visit our website <http://www.franklintempletonindia.com> for further details including details of AUM by geography.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.