

TEMPLETON GLOBAL INCOME FUND
Form N-Q
July 28, 2010

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF
REGISTERED MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-05459

Templeton Global Income Fund

(Exact name of registrant as specified in charter)

**500 East Broward Blvd., Suite 2100, Fort Lauderdale,
FL 33394-3091**

(Address of principal executive offices) (Zip code)

**Craig S. Tyle, One Franklin Parkway, San Mateo, CA
94403-1906**

(Name and address of agent for service)

Registrant's telephone number, including area code: (954) 527-7500

Date of fiscal year end: 8/31

Date of reporting period: 05/31/10

Item 1. Schedule of Investments.

Templeton Global Income Fund

Statement of Investments, May 31, 2010 (unaudited)

| | Principal Amount ^a | | Value |
|--|----------------------------------|-----|------------|
| Bonds 86.1% | | | |
| Argentina 2.6% | | | |
| ^{b,c} Government of Argentina, senior bond, FRN, 0.389%, 8/03/12 | 98,977,000 | \$ | 32,617,871 |
| Australia 7.0% | | | |
| New South Wales Treasury Corp., 6.00%, 5/01/12 | 10,565,000 | AUD | 9,112,576 |
| senior note, 5.50%, 3/01/17 | 36,971,000 | AUD | 30,971,212 |
| Queensland Treasury Corp., 13, 6.00%, 8/14/13 | 41,536,000 | AUD | 35,952,392 |
| 17, 6.00%, 9/14/17 | 12,395,000 | AUD | 10,652,738 |
| ^d 144A, 7.125%, 9/18/17 | 1,845,000 | NZD | 1,333,340 |
| | | | 88,022,258 |
| Brazil 7.3% | | | |
| Nota Do Tesouro Nacional, 10.00%, 1/01/12 | 23,075 ^e | BRL | 12,304,889 |
| 10.00%, 1/01/14 | 15,000 ^e | BRL | 7,698,462 |
| 10.00%, 1/01/17 | 54,900 ^e | BRL | 26,978,962 |
| ^f Index Linked, 6.00%, 5/15/15 | 20,140 ^e | BRL | 20,578,986 |
| ^f Index Linked, 6.00%, 5/15/45 | 23,625 ^e | BRL | 23,577,770 |
| | | | 91,139,069 |
| Canada 0.4% | | | |
| Province of Manitoba, 6.375%, 9/01/15 | 7,525,000 | NZD | 5,247,539 |
| Hungary 2.3% | | | |
| Government of Hungary, 3.50%, 7/18/16 | 905,000 | EUR | 1,048,911 |
| 4.375%, 7/04/17 | 4,435,000 | EUR | 5,321,292 |
| 5.75%, 6/11/18 | 12,690,000 | EUR | 16,304,861 |
| 6.25%, 1/29/20 | 3,535,000 | | 3,579,187 |
| senior note, 3.875%, 2/24/20 | 2,700,000 | EUR | 3,055,541 |
| | | | 29,309,792 |

India 0.7%

| | | | |
|---|-------------|-----|-----------|
| Export-Import Bank of India, N-01, 5.90%, 5/07/13 | 200,000,000 | INR | 4,316,618 |
| National Bank for Agriculture & Rural Development, 11B, 5.82%, 5/05/13 | 200,000,000 | INR | 4,315,756 |
| | | | 8,632,374 |

Indonesia 10.7%

| | | | |
|---|-----------------|-----|-------------|
| Government of Indonesia, FR19, 14.25%, 6/15/13 | 84,050,000,000 | IDR | 10,670,946 |
| FR20, 14.275%, 12/15/13 | 81,836,000,000 | IDR | 10,524,805 |
| FR26, 11.00%, 10/15/14 | 3,500,000,000 | IDR | 415,633 |
| FR27, 9.50%, 6/15/15 | 34,890,000,000 | IDR | 3,948,774 |
| FR30, 10.75%, 5/15/16 | 87,035,000,000 | IDR | 10,395,765 |
| FR31, 11.00%, 11/15/20 | 335,739,000,000 | IDR | 41,650,068 |
| FR34, 12.80%, 6/15/21 | 59,666,000,000 | IDR | 8,184,958 |
| FR35, 12.90%, 6/15/22 | 32,530,000,000 | IDR | 4,444,554 |
| FR36, 11.50%, 9/15/19 | 23,000,000,000 | IDR | 2,912,513 |
| FR42, 10.25%, 7/15/27 | 25,430,000,000 | IDR | 2,850,512 |
| FR43, 10.25%, 7/15/22 | 8,450,000,000 | IDR | 977,092 |
| FR46, 9.50%, 7/15/23 | 41,250,000,000 | IDR | 4,524,486 |
| FR47, 10.00%, 2/15/28 | 52,895,000,000 | IDR | 5,766,862 |
| FR48, 9.00%, 9/15/18 | 18,520,000,000 | IDR | 2,040,936 |
| ^d senior bond, 144A, 8.50%, 10/12/35 | 8,462,000 | | 10,490,613 |
| ^d senior bond, 144A, 6.625%, 2/17/37 | 2,090,000 | | 2,132,235 |
| ^d senior bond, 144A, 7.75%, 1/17/38 | 10,360,000 | | 11,862,200 |
| | | | 133,792,952 |

Lithuania 2.0%

| | | | |
|---|------------|--|------------|
| ^d Government of Lithuania, 144A, 6.75%, 1/15/15 | 15,000,000 | | 15,712,500 |
|---|------------|--|------------|

Templeton Global Income Fund

Statement of Investments, May 31, 2010 (unaudited) (continued)

| | Principal Amount^a | | Value |
|--|---|-----|--------------|
| 7.375%, 2/11/20 | 8,825,000 | \$ | 9,266,250 |
| | | | 24,978,750 |
| Mexico 4.7% | | | |
| Government of Mexico, M 20, 8.00%, 12/07/23 | 2,727,000 _g | MXN | 21,811,983 |
| M 20, 10.00%, 12/05/24 | 15,000 _g | MXN | 140,726 |
| M 20, 7.50%, 6/03/27 | 3,058,000 _g | MXN | 23,040,107 |
| senior bond, 5.95%, 3/19/19 | 13,260,000 | | 14,336,049 |
| | | | 59,328,865 |
| Norway 1.2% | | | |
| Government of Norway, 6.00%, 5/16/11 | 96,190,000 | NOK | 15,453,629 |
| Peru 3.3% | | | |
| Government of Peru, 9.91%, 5/05/15 | 6,500,000 | PEN | 2,775,265 |
| 7.84%, 8/12/20 | 32,200,000 | PEN | 12,670,887 |
| Series 7, 8.60%, 8/12/17 | 61,545,000 | PEN | 25,222,399 |
| | | | 40,668,551 |
| Poland 7.7% | | | |
| Government of Poland, 4.75%, 4/25/12 | 27,930,000 | PLN | 8,488,723 |
| 5.75%, 4/25/14 | 147,355,000 | PLN | 45,563,055 |
| 6.25%, 10/24/15 | 19,335,000 | PLN | 6,078,154 |
| 5.75%, 9/23/22 | 60,500,000 | PLN | 18,104,896 |
| senior note, 6.375%, 7/15/19 | 17,000,000 | | 18,564,578 |
| | | | 96,799,406 |
| Qatar 0.9% | | | |
| ^d Government of Qatar, senior note, 144A, 6.55%, 4/09/19 | 10,450,000 | | 11,654,363 |

Russia 4.5%

| | | | |
|--|------------|--|------------|
| ^d Government of Russia, 144A, 7.50%, 3/31/30 | 50,446,360 | | 56,388,905 |
|--|------------|--|------------|

South Africa 2.5%

| | | | |
|---|------------|-----|------------|
| Government of South Africa, 5.25%, 5/16/13 | 3,330,000 | EUR | 4,373,973 |
| 4.50%, 4/05/16 | 1,829,000 | EUR | 2,305,314 |
| 6.875%, 5/27/19 | 18,620,000 | | 20,877,675 |
| senior note, 6.50%, 6/02/14 | 775,000 | | 852,237 |
| senior note, 5.875%, 5/30/22 | 3,355,000 | | 3,428,391 |
| | | | 31,837,590 |

South Korea 14.7%

| | | | |
|--|----------------|-----|-------------|
| The Export-Import Bank of Korea, 4.625%, 2/20/17 | 205,000 | EUR | 261,021 |
| Government of Korea, senior bond, 5.625%, 11/03/25 | 620,000 | | 644,135 |
| Korea Deposit Insurance Corp., 07-1, 5.57%, 9/14/12 | 7,200,000,000 | KRW | 6,184,335 |
| 08-1, 5.28%, 2/15/13 | 1,232,000,000 | KRW | 1,051,961 |
| Korea Treasury Bond, 0400-1206, 4.00%, 6/10/12 | 76,268,710,000 | KRW | 64,018,384 |
| 0475-1112, 4.75%, 12/10/11 | 69,639,880,000 | KRW | 59,148,611 |
| 0475-1203, 4.75%, 3/10/12 | 15,946,000,000 | KRW | 13,541,941 |
| 0525-1303, 5.25%, 3/10/13 | 1,866,530,000 | KRW | 1,615,745 |
| 0525-1509, 5.25%, 9/10/15 | 4,000,000,000 | KRW | 3,442,434 |
| 0550-1106, 5.50%, 6/10/11 | 19,068,600,000 | KRW | 16,283,715 |
| senior note, 7.125%, 4/16/19 | 15,880,000 | | 18,768,366 |
| | | | 184,960,648 |

Sri Lanka 2.1%

| | | | |
|--|-------------|-----|-----------|
| Government of Sri Lanka, A, 12.00%, 7/15/11 | 94,150,000 | LKR | 850,729 |
| 8.50%, 1/15/13 | 567,300,000 | LKR | 4,856,756 |
| 13.50%, 2/01/13 | 550,800,000 | LKR | 5,275,033 |

Templeton Global Income Fund

Statement of Investments, May 31, 2010 (unaudited) (continued)

| | Principal Amount^a | | Value |
|--|---|-----|----------------------|
| 11.25%, 7/15/14 | 585,500,000 | LKR | \$ 5,384,213 |
| 11.00%, 8/01/15 | 1,103,400,000 | LKR | 10,089,163 |
| | | | 26,455,894 |
| ^hSupranational 3.4% | | | |
| Corporacion Andina De Fomento, 8.125%, 6/04/19 | 8,640,000 | | 10,568,431 |
| European Investment Bank, senior note, 4.50%, 5/15/13 | 113,650,000 | NOK | 18,350,743 |
| Inter-American Development Bank, senior note, 7.50%, 12/05/24 | 185,000,000 | MXN | 13,747,587 |
| | | | 42,666,761 |
| Sweden 3.9% | | | |
| Government of Sweden, 5.25%, 3/15/11 | 372,575,000 | SEK | 49,300,914 |
| United Arab Emirates 0.9% | | | |
| ^d Emirate of Abu Dhabi, 144A, 6.75%, 4/08/19 | 10,260,000 | | 11,629,885 |
| Venezuela 2.5% | | | |
| Government of Venezuela, 10.75%, 9/19/13 | 6,155,000 | | 5,335,806 |
| ⁱ senior bond, Reg S, 5.375%, 8/07/10 | 19,905,000 | | 19,681,069 |
| Petroleos de Venezuela SA, senior bond, zero cpn., 7/10/11 | 7,600,000 | | 6,562,125 |
| | | | 31,579,000 |
| Vietnam 0.8% | | | |
| ^d Government of Vietnam, 144A, 6.75%, 1/29/20 | 9,270,000 | | 9,524,925 |
| Total Bonds (Cost \$971,485,998) | | | 1,081,989,941 |

Municipal Bonds 3.3%**United States and U.S. Territories 3.3%**

| | | |
|--|------------|------------|
| Alabama State University Revenue, General Tuition and Fee, Assured Guaranty, 5.00%, 9/01/29 | 5,000 | 5,276 |
| 5.75%, 9/01/39 | 5,000 | 5,484 |
| Bay Area Toll Authority Toll Bridge Revenue, San Francisco Bay Area, Refunding, Series F-1, 5.00%, 4/01/39 | 605,000 | 621,117 |
| Bexar County Hospital District GO, Certificates of Obligation, 5.00%, 2/15/32 | 805,000 | 824,578 |
| Bexar County Revenue, Venue Project, Refunding, Series A, BHAC Insured, 5.25%, 8/15/47 | 730,000 | 753,995 |
| California State GO, Refunding, 5.125%, 4/01/33 | 500,000 | 498,295 |
| Refunding, 5.00%, 4/01/38 | 205,000 | 199,285 |
| Various Purpose, 6.00%, 4/01/38 | 20,130,000 | 21,744,829 |
| Illinois Municipal Electricity Agency Power Supply Revenue, Series A, BHAC Insured, 5.00%, 2/01/35 | 1,085,000 | 1,103,987 |
| Kentucky State Municipal Power Agency Power System Revenue, Prairie State Project, Series A, BHAC Insured, 5.25%, 9/01/42 | 2,395,000 | 2,498,799 |
| Lewisville ISD, GO, School Building, 5.00%, 8/15/26 | 545,000 | 598,116 |
| Los Angeles USD, GO, Series KRY, 5.25%, 7/01/26 | 350,000 | 382,036 |
| Minneapolis Health Care System Revenue, Fairview Health Services, Series B, Assured Guaranty, 6.50%, 11/15/38 | 1,670,000 | 1,881,622 |
| MTA Revenue, Series B, Assured Guaranty, 5.25%, 11/15/20 | 430,000 | 490,927 |
| Transportation, Series A, AGMC Insured, 5.5%, 11/15/21 | 410,000 | 480,458 |
| North Carolina Eastern Municipal Power Agency Power System Revenue, Refunding, Series A, Assured Guaranty, 5.25%, 1/01/19 | 250,000 | 276,090 |
| Palomar Pomerado Health GO, Election of 2004, Series A, NATL Insured, 5.125%, 8/01/37 | 2,080,000 | 2,036,549 |
| Philadelphia GO, Refunding, Series A, Assured Guaranty, 5.00%, 8/01/24 | 50,000 | 52,702 |
| Placentia-Yorba Linda USD, GO, 2008 Election, Series A, 5.25%, 8/01/32 | 2,400,000 | 2,495,064 |

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| | | |
|---|---------|---------|
| Poway USD, GO, Election of 2008, ID 07-1-A, zero cpn., 8/01/27 | 705,000 | 270,981 |
| 8/01/30 | 705,000 | 220,023 |
| 8/01/32 | 885,000 | 235,702 |
| 8/01/33 | 470,000 | 116,602 |
| San Bernardino Community College District GO, Election of 2002, Series A, 6.375%, 8/01/26 | 400,000 | 469,216 |
| 6.50%, 8/01/27 | 580,000 | 684,504 |

Templeton Global Income Fund

Statement of Investments, May 31, 2010 (unaudited) (continued)

| | Principal Amount^a | | Value |
|--|---|-----|---------------------------------|
| 6.50%, 8/01/28 San Mateo County Community College District GO, Election of 2001, Series C, NATL Insured, zero cpn., 9/01/30 | 240,000 | \$ | 281,959 |
| 3/01/31 Tarrant County Cultural Education Facilities Finance Corp. Revenue, Christus Health, Refunding, Series A, Assured Guaranty, 6.25%, 7/01/28 | 1,705,000 465,000 1,400,000 | | 545,412 142,309 1,563,198 |
| Total Municipal Bonds (Cost \$37,847,499) | | | 41,479,115 |
| Total Investments before Short Term Investments (Cost \$1,009,333,497) | | | 1,123,469,056 |
| Short Term Investments 4.1 % Foreign Government and Agency Securities 2.0 % Egypt 1.0 % | | | |
| †Egypt Treasury Bills, 8/03/10 – 3/08/11 | 73,400,000 | EGP | 12,227,618 |
| †Israel 1.0 % †Israel Treasury Bill, 1/05/11 | 50,000,000 | ILS | 12,754,773 |
| Total Foreign Government and Agency Securities (Cost \$25,799,043) | | | 24,982,391 |
| Total Investments before Money Market Funds (Cost \$1,035,132,540) | | | 1,148,451,447 |

Shares

Money Market Funds (Cost \$26,701,108)**2.1%****United States 2.1%**^kInstitutional Fiduciary Trust Money Market Portfolio, 0.00%

26,701,108

26,701,108

Total Investments (Cost \$1,061,833,648)**93.5%**

1,175,152,555

Other Assets, less Liabilities 6.5%

80,586,437

Net Assets 100.0%

\$ 1,255,738,992

- a The principal amount is stated in U.S. dollars unless otherwise indicated.
- b The coupon rate shown represents the rate at period end.
- c The principal amount is stated in original face, and scheduled paydowns are reflected in the market price on ex-date.
- d Security was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. These securities have been deemed liquid under guidelines approved by the Fund's Board of Trustees. At May 31, 2010, the aggregate value of these securities was \$139,995,216, representing 11.14% of net assets.
- e Principal amount is stated in 1,000 Brazilian Real Units.
- f Redemption price at maturity is adjusted for inflation.
- g Principal amount is stated in 100 Mexican Peso Units.
- h A supranational organization is an entity formed by two or more central governments through international treaties.
- i Security was purchased pursuant to Regulation S under the Securities Act of 1933, which exempts from registration securities offered and sold outside of the United States. Such a security cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. This security has been deemed liquid under guidelines approved by the Fund's Board of Trustees. At May 31, 2010, the value of this security was \$19,681,069, representing 1.57% of net assets.
- j The security is traded on a discount basis with no stated coupon rate.
- k The Institutional Fiduciary Trust Money Market Portfolio is managed by the Fund's investment manager. The rate shown is the annualized seven-day yield at period end.

Templeton Global Income Fund

Statement of Investments, May 31, 2010 (unaudited) (continued)

At May 31, 2010, the Fund had the following forward exchange contracts outstanding. See Note 3.

| Currency | Counterparty | Type | Quantity | Contract amount ^a | Settlement date | Unrealized Appreciation | Unrealized Depreciation |
|--------------------|--------------|------|-------------|------------------------------|-----------------|-------------------------|-------------------------|
| Chilean Peso | CITI | Sell | 186,070,000 | 343,620 | 6/01/10 | \$ — | \$ (7,290) |
| Chilean Peso | CITI | Buy | 186,070,000 | 330,204 | 6/01/10 | 20,706 | — |
| Indian Rupee | DBAB | Sell | 150,389,000 | 3,231,392 | 6/01/10 | — | (11,844) |
| Indian Rupee | DBAB | Buy | 150,389,000 | 3,064,223 | 6/01/10 | 179,013 | — |
| New Zealand Dollar | UBSW | Buy | 6,140,000 | 4,270,247 | 6/01/10 | — | (96,884) |
| New Zealand Dollar | UBSW | Buy | 4,544,383 | 3,015,471 | 6/01/10 | 73,351 | — |
| New Zealand Dollar | CITI | Buy | 6,044,416 | 4,007,146 | 6/01/10 | 101,250 | — |
| New Zealand Dollar | DBAB | Buy | 10,620,020 | 7,132,618 | 6/01/10 | 85,820 | — |
| New Zealand Dollar | CITI | Sell | 6,044,416 | 4,215,255 | 6/01/10 | 106,860 | — |
| New Zealand Dollar | DBAB | Sell | 10,620,020 | 7,417,978 | 6/01/10 | 199,540 | — |
| New Zealand Dollar | UBSW | Sell | 10,684,383 | 7,463,896 | 6/01/10 | 201,711 | — |
| Indian Rupee | HSBC | Buy | 4,458,000 | 91,918 | 6/02/10 | 4,212 | — |
| Indian Rupee | HSBC | Sell | 4,458,000 | 95,974 | 6/02/10 | 1,316 | — |
| New Zealand Dollar | BZWS | Buy | 8,856,368 | 6,370,344 | 6/02/10 | — | (351,097) |
| New Zealand Dollar | DBAB | Buy | 4,580,779 | 3,076,314 | 6/02/10 | 37,021 | — |
| New Zealand Dollar | BZWS | Sell | 8,856,368 | 6,237,363 | 6/02/10 | 218,116 | — |
| New Zealand Dollar | FBCO | Sell | 1,511,663 | 1,065,722 | 6/02/10 | 38,318 | — |
| New Zealand Dollar | DBAB | Sell | 4,580,779 | 3,232,427 | 6/02/10 | 119,092 | — |
| Indian Rupee | HSBC | Buy | 22,062,000 | 459,625 | 6/03/10 | 16,053 | — |
| Indian Rupee | HSBC | Buy | 147,266,000 | 3,064,211 | 6/04/10 | 110,640 | — |
| Poland Zloty | DBAB | Buy | 13,705,000 | 3,012,684 | EUR 6/04/10 | 426,048 | — |
| Indian Rupee | DBAB | Buy | 73,633,000 | 1,532,106 | 6/07/10 | 54,802 | — |
| Poland Zloty | DBAB | Buy | 12,965,000 | 2,824,434 | EUR 6/07/10 | 433,647 | — |
| Indian Rupee | DBAB | Buy | 37,141,000 | 770,560 | 6/08/10 | 29,800 | — |
| Indian Rupee | HSBC | Buy | 29,570,000 | 612,850 | 6/08/10 | 24,362 | — |
| Poland Zloty | CITI | Buy | 5,203,000 | 1,129,672 | EUR 6/08/10 | 178,592 | — |
| New Zealand Dollar | BZWS | Buy | 8,856,368 | 6,389,427 | 6/09/10 | — | (373,219) |
| | BZWS | Sell | 8,856,368 | 6,233,643 | 6/09/10 | 217,436 | — |

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New Zealand

Dollar

| | | | | | | | |
|--------------|------|-----|------------|---------|---------|--------|---|
| Indian Rupee | DBAB | Buy | 29,990,000 | 616,444 | 6/10/10 | 29,678 | — |
| Indian Rupee | BZWS | Buy | 44,847,000 | 924,680 | 6/11/10 | 41,424 | — |

Templeton Global Income Fund

Statement of Investments, May 31, 2010 (unaudited) (continued)

| Currency | Counterparty | Type | Quantity | Contract amount ^a | Settlement date | Unrealized Appreciation | Unrealized Depreciation |
|--------------------|--------------|------|-------------|------------------------------|-----------------|-------------------------|-------------------------|
| Indian Rupee | HSBC | Buy | 30,052,000 | 616,451 | 6/11/10 | 30,936 | — |
| Indian Rupee | DBAB | Buy | 75,068,000 | 1,541,121 | 6/16/10 | 75,133 | — |
| Indian Rupee | DBAB | Buy | 68,380,000 | 1,387,018 | 6/21/10 | 84,441 | — |
| Swedish Krona | UBSW | Buy | 50,589,000 | 4,548,225 | EUR 6/28/10 | 878,705 | — |
| Swedish Krona | UBSW | Buy | 36,736,000 | 3,315,224 | EUR 6/29/10 | 622,761 | — |
| Swedish Krona | UBSW | Buy | 45,098,000 | 4,100,526 | EUR 7/15/10 | 726,487 | — |
| Malaysian Ringgit | DBAB | Buy | 9,759,000 | 1,943,056 | EUR 7/16/10 | 593,811 | — |
| Malaysian Ringgit | DBAB | Buy | 61,396,000 | 17,063,924 | 7/16/10 | 1,720,840 | — |
| Indian Rupee | CITI | Buy | 16,598,000 | 331,960 | 7/19/10 | 24,237 | — |
| Indian Rupee | JPHQ | Buy | 16,598,000 | 331,960 | 7/20/10 | 24,204 | — |
| Malaysian Ringgit | DBAB | Buy | 96,842,000 | 27,120,533 | 7/20/10 | 2,503,213 | — |
| Malaysian Ringgit | DBAB | Buy | 11,019,000 | 2,189,655 | EUR 7/20/10 | 674,904 | — |
| Malaysian Ringgit | DBAB | Buy | 14,167,000 | 2,815,158 | EUR 7/23/10 | 866,980 | — |
| Malaysian Ringgit | DBAB | Buy | 117,760,000 | 33,256,142 | 7/23/10 | 2,760,808 | — |
| Malaysian Ringgit | JPHQ | Buy | 123,816,000 | 34,877,746 | 7/27/10 | 2,983,637 | — |
| Malaysian Ringgit | JPHQ | Buy | 14,167,000 | 2,806,402 | EUR 7/27/10 | 876,687 | — |
| Swedish Krona | DBAB | Buy | 45,098,000 | 4,230,780 | EUR 7/27/10 | 565,885 | — |
| Malaysian Ringgit | HSBC | Buy | 1,687,000 | 478,405 | 7/30/10 | 37,379 | — |
| New Zealand Dollar | DBAB | Sell | 17,733,735 | 11,411,658 | 7/30/10 | — | (592,590) |
| New Zealand Dollar | DBAB | Buy | 17,733,735 | 11,865,997 | 7/30/10 | 138,252 | — |
| | DBAB | Sell | 17,666,270 | 11,347,929 | 8/03/10 | — | (607,311) |

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| | | | | | | | |
|--------------------|------|------|------------|------------|---------|---------|-----------|
| New Zealand Dollar | | | | | | | |
| New Zealand Dollar | BZWS | Sell | 6,915,607 | 4,439,820 | 8/03/10 | — | (240,157) |
| New Zealand Dollar | BZWS | Buy | 4,400,000 | 3,162,280 | 8/03/10 | — | (184,682) |
| New Zealand Dollar | DBAB | Buy | 17,666,270 | 11,817,321 | 8/03/10 | 137,918 | — |
| New Zealand Dollar | DBAB | Sell | 6,999,201 | 4,471,789 | 8/04/10 | — | (264,427) |
| New Zealand Dollar | BZWS | Sell | 3,484,510 | 2,237,056 | 8/04/10 | — | (120,841) |
| New Zealand Dollar | DBAB | Buy | 6,999,201 | 4,681,555 | 8/04/10 | 54,661 | — |
| New Zealand Dollar | CITI | Sell | 17,544,053 | 11,456,705 | 8/05/10 | — | (414,168) |
| New Zealand Dollar | DBAB | Sell | 5,204,459 | 3,392,267 | 8/05/10 | — | (129,239) |
| New Zealand Dollar | DBAB | Buy | 5,204,459 | 3,480,846 | 8/05/10 | 40,659 | — |
| New Zealand Dollar | CITI | Buy | 17,544,053 | 11,748,200 | 8/05/10 | 122,674 | — |
| Malaysian Ringgit | HSBC | Buy | 3,400,000 | 971,984 | 8/06/10 | 67,196 | — |
| New Zealand Dollar | CITI | Sell | 6,870,623 | 4,490,055 | 8/06/10 | — | (158,506) |

Templeton Global Income Fund

Statement of Investments, May 31, 2010 (unaudited) (continued)

| Currency | Counterparty | Type | Quantity | Contract amount ^a | Settlement date | Unrealized Appreciation | Unrealized Depreciation |
|--------------------|--------------|------|-------------|------------------------------|-----------------|-------------------------|-------------------------|
| New Zealand Dollar | FBCO | Sell | 3,428,957 | 2,233,108 | 8/06/10 | — | (86,873) |
| New Zealand Dollar | FBCO | Sell | 15,302,017 | 10,059,786 | 8/09/10 | — | (291,161) |
| New Zealand Dollar | CITI | Sell | 6,779,343 | 4,457,147 | 8/09/10 | — | (128,695) |
| New Zealand Dollar | DBAB | Sell | 6,809,934 | 4,479,575 | 8/09/10 | — | (126,960) |
| New Zealand Dollar | DBAB | Buy | 6,809,934 | 4,553,599 | 8/09/10 | 52,936 | — |
| New Zealand Dollar | FBCO | Sell | 6,713,771 | 4,458,817 | 8/11/10 | — | (82,035) |
| New Zealand Dollar | DBAB | Sell | 15,333,885 | 9,990,809 | 8/12/10 | — | (379,523) |
| New Zealand Dollar | DBAB | Buy | 15,333,885 | 10,251,009 | 8/12/10 | 119,323 | — |
| New Zealand Dollar | DBAB | Sell | 4,178,000 | 2,711,940 | 8/13/10 | — | (113,451) |
| New Zealand Dollar | DBAB | Buy | 4,178,000 | 2,792,868 | 8/13/10 | 32,523 | — |
| New Zealand Dollar | DBAB | Sell | 4,407,000 | 2,909,061 | 8/16/10 | — | (70,569) |
| New Zealand Dollar | DBAB | Buy | 4,407,000 | 2,945,507 | 8/16/10 | 34,123 | — |
| Brazilian Real | DBAB | Buy | 4,460,000 | 216,608,820 | JPY 8/17/10 | 26,008 | — |
| Japanese Yen | UBSW | Sell | 619,237,000 | 6,528,180 | 8/17/10 | — | (271,147) |
| New Israeli Shekel | CITI | Buy | 12,073,000 | 3,185,993 | 8/17/10 | — | (71,915) |
| Brazilian Real | DBAB | Buy | 3,295,000 | 158,654,250 | JPY 8/18/10 | 33,804 | — |
| Japanese Yen | JPHQ | Sell | 307,706,000 | 3,264,093 | 8/18/10 | — | (114,631) |
| Brazilian Real | DBAB | Buy | 4,942,000 | 232,303,652 | JPY 8/19/10 | 112,035 | — |
| Japanese Yen | HSBC | Sell | 306,279,000 | 3,255,517 | 8/19/10 | — | (107,597) |
| New Israeli Shekel | CITI | Buy | 12,079,000 | 3,182,248 | 8/19/10 | — | (66,628) |
| New Israeli Shekel | DBAB | Buy | 1,209,000 | 318,493 | 8/19/10 | — | (6,647) |
| Indian Rupee | DBAB | Buy | 115,936,000 | 2,321,506 | 8/20/10 | 160,174 | — |
| Japanese Yen | DBAB | Sell | 307,444,000 | 3,255,512 | 8/20/10 | — | (120,454) |
| Japanese Yen | BZWS | Sell | 307,053,000 | 3,260,347 | 8/20/10 | — | (111,325) |
| | CITI | Buy | 4,634,100 | 1,212,449 | 8/20/10 | — | (17,144) |

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| | | | | | | | | |
|--------------------|------|------|-------------|-----------|-----|---------|---------|-----------|
| New Israeli Shekel | | | | | | | | |
| Norwegian Krone | UBSW | Buy | 44,332,000 | 5,049,318 | EUR | 8/20/10 | 611,927 | — |
| Indian Rupee | DBAB | Buy | 100,473,000 | 2,011,967 | | 8/23/10 | 138,246 | — |
| Japanese Yen | CITI | Sell | 613,483,000 | 6,520,692 | | 8/23/10 | — | (216,168) |
| Japanese Yen | FBCO | Sell | 608,984,000 | 6,520,695 | | 8/23/10 | — | (166,760) |
| New Israeli Shekel | CITI | Buy | 7,908,300 | 2,073,927 | | 8/23/10 | — | (34,092) |
| Norwegian Krone | UBSW | Buy | 44,332,000 | 5,054,557 | EUR | 8/23/10 | 604,286 | — |
| Japanese Yen | JPHQ | Sell | 612,179,000 | 6,520,693 | | 8/24/10 | — | (201,966) |
| Japanese Yen | BZWS | Sell | 610,141,000 | 6,520,690 | | 8/24/10 | — | (179,588) |

Templeton Global Income Fund

Statement of Investments, May 31, 2010 (unaudited) (continued)

| Currency | Counterparty | Type | Quantity | Contract amount ^a | Settlement date | Unrealized Appreciation | Unrealized Depreciation |
|--------------------|--------------|------|-------------|------------------------------|-----------------|-------------------------|-------------------------|
| New Zealand Dollar | FBCO | Sell | 6,159,450 | 4,061,418 | 8/24/10 | — | (100,741) |
| Japanese Yen | DBAB | Sell | 303,441,000 | 3,260,352 | 8/25/10 | — | (71,951) |
| New Zealand Dollar | DBAB | Sell | 6,130,000 | 4,097,905 | 8/27/10 | — | (43,488) |
| Brazilian Real | DBAB | Buy | 3,300,000 | 154,185,900 | JPY 8/31/10 | 79,198 | — |
| Indian Rupee | DBAB | Buy | 71,050,000 | 1,423,848 | 9/01/10 | 95,724 | — |
| Japanese Yen | JPHQ | Sell | 304,127,000 | 3,260,349 | 9/01/10 | — | (79,961) |
| Brazilian Real | DBAB | Buy | 4,949,000 | 228,826,913 | JPY 9/02/10 | 143,827 | — |
| Japanese Yen | HSBC | Sell | 300,940,000 | 3,260,349 | 9/02/10 | — | (45,036) |
| Norwegian Krone | BZWS | Buy | 44,332,000 | 5,045,123 | EUR 9/07/10 | 610,482 | — |
| New Israeli Shekel | DBAB | Buy | 35,742,000 | 9,430,607 | 9/08/10 | — | (211,817) |
| Japanese Yen | HSBC | Sell | 453,244,000 | 4,890,524 | 9/09/10 | — | (88,524) |
| Japanese Yen | HSBC | Sell | 451,689,000 | 4,890,526 | 9/10/10 | — | (71,557) |
| Japanese Yen | DBAB | Sell | 383,650,000 | 4,179,376 | 9/10/10 | — | (35,257) |
| Japanese Yen | UBSW | Sell | 318,692,000 | 3,482,820 | 9/13/10 | — | (18,457) |
| Brazilian Real | DBAB | Buy | 7,424,000 | 346,161,075 | JPY 9/15/10 | 170,677 | — |
| Japanese Yen | BZWS | Sell | 250,749,000 | 2,786,255 | 9/15/10 | 31,295 | — |
| Japanese Yen | UBSW | Sell | 377,653,000 | 4,179,380 | 9/15/10 | 30,137 | — |
| Japanese Yen | HSBC | Sell | 253,555,000 | 2,786,257 | 9/15/10 | 469 | — |
| Japanese Yen | DBAB | Sell | 126,078,000 | 1,393,127 | 9/16/10 | 7,885 | — |
| Japanese Yen | HSBC | Sell | 376,102,000 | 4,179,375 | 9/16/10 | 47,074 | — |
| Euro | BZWS | Sell | 1,331,300 | 1,960,140 | 9/20/10 | 319,925 | — |

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|-----------------|------|------|-------------|------------|-----|----------|-----------|---|
| Japanese Yen | JPHQ | Sell | 252,156,000 | 2,786,254 | | 9/21/10 | 15,442 | — |
| Japanese Yen | HSBC | Sell | 125,019,000 | 1,393,125 | | 9/21/10 | 19,355 | — |
| Euro | UBSW | Sell | 8,685,912 | 12,735,545 | | 9/23/10 | 2,033,839 | — |
| Swedish Krona | DBAB | Buy | 28,384,373 | 2,799,248 | EUR | 9/23/10 | 187,490 | — |
| Swedish Krona | UBSW | Buy | 91,000,000 | 8,950,438 | EUR | 9/23/10 | 630,562 | — |
| Euro | JPHQ | Sell | 3,821,732 | 5,658,456 | | 9/24/10 | 949,745 | — |
| Japanese Yen | JPHQ | Sell | 109,322,000 | 1,208,045 | | 9/24/10 | 6,676 | — |
| Indian Rupee | DBAB | Buy | 225,000,000 | 6,533,101 | NZD | 9/27/10 | 400,666 | — |
| Japanese Yen | JPHQ | Sell | 10,871,000 | 120,802 | | 9/27/10 | 1,329 | — |
| Japanese Yen | JPHQ | Sell | 78,559,000 | 872,975 | | 9/28/10 | 9,587 | — |
| Japanese Yen | JPHQ | Sell | 130,931,000 | 1,454,951 | | 9/29/10 | 15,944 | — |
| Philippine Peso | DBAB | Buy | 150,587,000 | 3,121,233 | | 10/04/10 | 92,586 | — |

Templeton Global Income Fund

Statement of Investments, May 31, 2010 (unaudited) (continued)

| Currency | Counterparty | Type | Quantity | Contract amount^a | Settlement date | Unrealized Appreciation | Unrealized Depreciation |
|--------------------|---------------------|-------------|-----------------|------------------------------------|------------------------|--------------------------------|--------------------------------|
| Philippine Peso | HSBC | Buy | 120,792,000 | 2,496,992 | 10/04/10 | 80,943 | — |
| New Israeli Shekel | DBAB | Buy | 35,422,000 | 9,408,234 | 10/05/10 | — | (272,816) |
| Philippine Peso | DBAB | Buy | 180,042,000 | 3,745,491 | 10/05/10 | 96,582 | — |
| Philippine Peso | HSBC | Buy | 180,085,000 | 3,745,477 | 10/05/10 | 97,513 | — |
| Philippine Peso | JPHQ | Buy | 47,563,000 | 998,803 | 10/06/10 | 16,087 | — |
| Philippine Peso | DBAB | Buy | 147,797,000 | 3,121,241 | 10/07/10 | 32,116 | — |
| Philippine Peso | HSBC | Buy | 118,491,000 | 2,496,992 | 10/08/10 | 30,855 | — |
| Philippine Peso | JPHQ | Buy | 59,005,000 | 1,248,492 | 10/08/10 | 10,300 | — |
| Philippine Peso | DBAB | Buy | 118,267,000 | 2,496,981 | 10/08/10 | 26,087 | — |
| Philippine Peso | CITI | Buy | 59,159,000 | 1,248,502 | 10/08/10 | 13,577 | — |
| Philippine Peso | DBAB | Buy | 35,215,000 | | | | |