

TEMPLETON GLOBAL INCOME FUND
Form N-Q
January 27, 2006

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF
REGISTERED MANAGEMENT INVESTMENT COMPANIES

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: 08/31

Date of reporting period: 11/30/05

ITEM 1. SCHEDULE OF INVESTMENTS.

TEMPLETON GLOBAL INCOME FUND

QUARTERLY STATEMENT OF INVESTMENTS
NOVEMBER 30, 2005

CONTENTS

| | |
|---|---|
| Statement of Investments | 3 |
| Notes to Statement of Investments | 8 |

[LOGO] (R)
FRANKLIN TEMPLETON
INVESTMENTS

Franklin o TEMPLETON o Mutual Series

Quarterly Statement of Investments | 1

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TEMPLETON GLOBAL INCOME FUND

STATEMENT OF INVESTMENTS, NOVEMBER 30, 2005 (UNAUDITED)

PRIN

| | |
|--|-------|
| LONG TERM INVESTMENTS | 97.3% |
| ARGENTINA | 1.8% |
| (a), (b) Government of Argentina, FRN, 4.005%, 8/03/12 | ..... |
| AUSTRALIA | 5.2% |
| New South Wales Treasury Corp., | |
| 8.00%, 3/01/08 | ..... |
| 6.00%, 5/01/12 | ..... |
| Queensland Treasury Corp., | |
| 6.00%, 7/14/09 | ..... |
| 6.00%, 8/14/13 | ..... |
| Austria | 2.9% |
| Government of Austria, | |
| 9.00%, 9/15/06 | ..... |
| 5.50%, 10/20/07 | ..... |
| 5.00%, 7/15/12 | ..... |
| Belgium | 2.4% |
| Government of Belgium, | |
| 8.50%, 10/01/07 | ..... |
| 5.00%, 9/28/12 | ..... |
| BRAZIL | 0.4% |
| (a) Government of Brazil, FRN, 5.25%, 4/15/12 | ..... |
| CANADA | 6.7% |
| Government of Canada, | |
| 8.75%, 12/01/05 | ..... |
| 6.00%, 6/01/11 | ..... |
| Province of Alberta, | |
| 7.50%, 12/01/05 | ..... |
| 5.00%, 12/16/08 | ..... |
| Province of British Columbia, 6.00%, 6/09/08 | ..... |
| Province of Ontario, 7.75%, 7/24/06 | |
| DENMARK | 1.7% |
| Government of Denmark, | |
| 6.00%, 11/15/11 | |
| 5.00%, 11/15/13 | |

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| | |
|---|--|
| FINLAND 0.9% | |
| Government of Finland, 5.00%, 7/04/07 | |
| FRANCE 0.2% | |
| Government of France, 4.25%, 4/25/19 | |

Quarterly Statement of Investments | 3

TEMPLETON GLOBAL INCOME FUND

STATEMENT OF INVESTMENTS, NOVEMBER 30, 2005 (UNAUDITED) (CONTINUED)

LONG TERM INVESTMENTS (CONT.)

| | |
|--|---|
| GERMANY 1.4% | |
| Government of Germany, 2.75%, 6/23/06 | |
| KfW Bankengruppe, senior note, 6.375%, 2/17/15 | 2 |

| | |
|---|--|
| GREECE 0.5% | |
| Government of the Hellenic Republic, 4.60%, 5/20/13 | |

| | |
|----------------------------|--------|
| INDONESIA 6.2% | |
| Government of Indonesia, | |
| 11.00%, 10/15/14 | 55,00 |
| 9.50%, 6/15/15 | 33,05 |
| 10.75%, 5/15/16 | 82,24 |
| 11.00%, 11/15/20 | 359,10 |
| Indonesia Recapital Bonds, | |
| 14.00%, 6/15/09 | 20,47 |
| 13.15%, 3/15/10 | 21,33 |
| 15.425%, 9/15/10 | 4,80 |
| 13.15%, 1/15/12 | 33,20 |
| 14.25%, 6/15/13 | 84,05 |
| 14.275%, 12/15/13 | 126,83 |

| | |
|--|--|
| IRISH REPUBLIC 0.7% | |
| Government of Ireland, 4.25%, 10/18/07 | |

| | |
|-------------------------|---|
| MALAYSIA 2.3% | |
| Government of Malaysia, | |
| 4.305%, 2/27/09 | 7 |
| 4.032%, 9/15/09 | 2 |

| | |
|--|--|
| MEXICO 1.0% | |
| (d) Government of Mexico, 144A, 7.50%, 3/08/10 | |

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NETHERLANDS 0.1%
 Government of the Netherlands, 5.75%, 2/15/07

NEW ZEALAND 4.6%
 Government of New Zealand,
 7.00%, 7/15/09
 6.00%, 11/15/11
 Inter-American Development Bank, 6.00%, 12/15/17

NORWAY 4.7%
 Government of Norway, 6.75%, 1/15/07

PERU 3.1%
 Government of Peru,
 9.91%, 5/05/15
 7.84%, 8/12/20
 Series 7, 8.60%, 8/12/17

4 | Quarterly Statement of Investments

TEMPLETON GLOBAL INCOME FUND

STATEMENT OF INVESTMENTS, NOVEMBER 30, 2005 (UNAUDITED) (CONTINUED)

LONG TERM INVESTMENTS (CONT.)

PHILIPPINES 2.0%
 Government of the Philippines,
 9.00%, 2/15/13
 Reg S, 9.125%, 2/22/10

POLAND 7.8%
 Government of Poland,
 8.50%, 11/12/06
 8.50%, 5/12/07
 6.00%, 5/24/09
 6.25%, 10/24/15
 5.75%, 9/23/22

SINGAPORE 2.9%
 Government of Singapore, 4.00%, 3/01/07

SLOVAK REPUBLIC 4.8%
 Government of Slovakia,

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| | |
|--|-------|
| 4.80%, 4/14/09 | 29 |
| 7.50%, 3/13/12 | 8 |
| 4.90%, 2/11/14 | 5 |
| 5.30%, 5/12/19 | 5 |
| Strip, 1/14/07 | 1,26 |
| | |
| SOUTH AFRICA 0.2% | |
| Government of South Africa, 5.25%, 5/16/13 | |
| | |
| SOUTH KOREA 14.8% | |
| Government of Korea, | |
| 4.50%, 3/05/06 | 19,50 |
| 4.50%, 9/03/06 | 29,79 |
| 6.90%, 1/16/07 | 41,01 |
| 4.75%, 3/03/07 | 7,90 |
| 6.15%, 7/10/07 | 10,00 |
| 5.77%, 10/09/07 | 39,64 |
| 4.75%, 3/12/08 | 8,07 |
| 4.50%, 9/09/08 | 12,00 |
| Korea Treasury Bond, 5.00%, 3/26/13 | 5,00 |
| | |
| SPAIN 2.0% | |
| Government of Spain, | |
| 8.80%, 4/30/06 | 1 |
| 5.00%, 7/30/12 | |

Quarterly Statement of Investments | 5

TEMPLETON GLOBAL INCOME FUND

STATEMENT OF INVESTMENTS, NOVEMBER 30, 2005 (UNAUDITED) (CONTINUED)

LONG TERM INVESTMENTS (CONT.)

SWEDEN 8.0%

| | |
|-----------------------|---|
| Government of Sweden, | |
| 8.00%, 8/15/07 | 2 |
| 6.50%, 5/05/08 | 1 |
| 5.25%, 3/15/11 | 2 |
| 5.50%, 10/08/12 | |
| Strip, 9/20/06 | |

Thailand 5.6%

| | |
|---|---|
| Bank of Thailand Bond, 3.25%, 5/19/07 | 4 |
| Government of Thailand, | |

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| | |
|-----------------------|-----|
| 8.00%, 12/08/06 | 1,4 |
| 5.60%, 7/07/07 | 4 |
| 4.125%, 2/12/08 | 1 |
| 8.50%, 12/08/08 | |

Ukraine 0.3%

(a) Government of the Ukraine, FRN, 7.34313%, 8/05/09

Venezuela 2.1%

Government of Venezuela, 9.25%, 9/15/27

TOTAL LONG TERM INVESTMENTS (COST \$1,027,830,346)

SHORT TERM INVESTMENTS 0.9%

EGYPT 0.5%

(e) Egypt Treasury Bills, 5/30/06 - 11/21/06

UNITED STATES 0.4%

(f) Franklin Institutional Fiduciary Trust Money Market Portfolio

TOTAL SHORT TERM INVESTMENTS (COST \$10,338,371)

TOTAL INVESTMENTS (COST \$1,038,168,717) 98.2%

NET UNREALIZED GAIN ON FORWARD EXCHANGE CONTRACTS 0.0% (g)

Other Assets, less Liabilities 1.8%

Net Assets 100.0%

6 | Quarterly Statement of Investments

TEMPLETON GLOBAL INCOME FUND

STATEMENT OF INVESTMENTS, NOVEMBER 30, 2005 (UNAUDITED) (CONTINUED)

SELECTED PORTFOLIO ABBREVIATIONS

FRN - Floating Rate Note

CURRENCY ABBREVIATIONS

AUD - Australian Dollar

CAD - Canadian Dollar

DKK - Danish Krone

EGP - Egyptian Pound

EUR - Euro

IDR - Indonesian Rupiah

ISK - Iceland Krona

KRW - Korean Won

MYR - Malaysian Ringgit

NOK - Norwegian Krone

NZD - New Zealand Dollar

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PEN - Peru Nuevo Sol
 PLN - Polish Zloty
 SEK - Swedish Krona
 SGD - Singapore Dollar
 SKK - Slovak Koruna
 THB - Thai Baht

- (a) The coupon shown represents the rate at period end.
- (b) The principal amount is stated in original face, and scheduled paydowns are reflected in the market price on ex-date.
- (c) The principal amount is stated in U.S. dollars unless otherwise indicated.
- (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 November 30, 2005, the aggregate value of these securities was \$11,937,586, representing 1.05% of net assets.
- (e) The security is traded on a discount basis with no stated coupon rate.
- (f) The Franklin Institutional Fiduciary Trust Money Market Portfolio is managed by the Fund's investment manager.
- (g) Amount rounds to less than 0.05% of net assets.

Quarterly Statement of Investments | See Notes to Statement of Investments. | 7

TEMPLETON GLOBAL INCOME FUND

NOTES TO STATEMENT OF INVESTMENTS (UNAUDITED)

Templeton Global Income Fund (the Fund) is registered under the Investment Company Act of 1940 as a non-diversified closed-end investment company.

1. INCOME TAXES

At November 30, 2005, the cost of investments and net unrealized appreciation (depreciation) for income tax purposes were as follows:

| | |
|--|------------------|
| Cost of investments | \$ 1,060,382,273 |
| | ===== |
| Unrealized appreciation | \$ 83,359,113 |
| Unrealized depreciation | (25,774,857) |
| | ----- |
| Net unrealized appreciation (depreciation) | \$ 57,584,256 |
| | ===== |

2. FORWARD EXCHANGE CONTRACTS

At November 30, 2005, the Fund had the following forward exchange contracts outstanding:

| | CONTRACT | SETTLEMENT | UNREALIZED |
|--|----------|------------|------------|
|--|----------|------------|------------|

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| CONTRACTS TO BUY | AMOUNT | DATE | GAIN (LOSS) |
|---|---------------|----------|-------------|
| 117,100,000 Thailand Bhat | 4,118,599 NZD | 11/30/06 | \$13,07 |
| UNREALIZED GAIN ON FORWARD EXCHANGE CONTRACTS | | | \$13,07 |
| | | | ===== |

CURRENCY ABBREVIATIONS

NZD - New Zealand Dollar

For information on the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to the Fund's most recent semiannual or annual shareholder report.

8 | Quarterly Statement of Investments

ITEM 2. CONTROLS AND PROCEDURES.

(a) EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES. The Registrant maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Registrant's filings under the Securities Exchange Act of 1934 and the Investment Company Act of 1940 is recorded, processed, summarized and reported within the periods specified in the rules and forms of the Securities and Exchange Commission. Such information is accumulated and communicated to the Registrant's management, including its principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. The Registrant's management, including the principal executive officer and the principal financial officer, recognizes that any set of controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

Within 90 days prior to the filing date of this Quarterly Schedule of Portfolio Holdings on Form N-Q, the Registrant had carried out an evaluation, under the supervision and with the participation of the Registrant's management, including the Registrant's principal executive officer and the Registrant's principal financial officer, of the effectiveness of the design and operation of the Registrant's disclosure controls and procedures. Based on such evaluation, the Registrant's principal executive officer and principal financial officer concluded that the Registrant's disclosure controls and procedures are effective.

(b) CHANGES IN INTERNAL CONTROLS. There have been no significant changes in the Registrant's internal controls or in other factors that could significantly affect the internal controls subsequent to the date of their evaluation in connection with the preparation of this Quarterly Schedule of Portfolio Holdings on Form N-Q.

ITEM 3. EXHIBITS.

(a) Certifications pursuant to Section 30a-2 of the Investment Company Act of 1940 of Jimmy D. Gambill, Chief Executive Officer - Finance and Administration, and Galen G. Vetter, Chief Financial Officer.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TEMPLETON GLOBAL INCOME FUND

By /s/JIMMY D. GAMBILL

Jimmy D. Gambill
Chief Executive Officer -
Finance and Administration
Date January 23, 2006

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By /s/JIMMY D. GAMBILL

Jimmy D. Gambill
Chief Executive Officer -
Finance and Administration
Date January 23, 2006

By /s/GALEN G. VETTER

Galen G. Vetter
Chief Financial Officer
Date January 23, 2006