

SEMIANNUAL REPORT

# INSTITUTIONAL FIDUCIARY TRUST

December 31, 2020



FRANKLIN  
TEMPLETON

Money Market Portfolio

---

# Contents

---

## **Semiannual Report**

Institutional Fiduciary Trust Money Market Portfolio.....	2
Performance Summary.....	4
Your Fund's Expenses.....	5
Financial Highlights and Statement of Investments.....	6
Financial Statements.....	8
Notes to Financial Statements.....	11
Tax Information.....	14
The Money Market Portfolios.....	15
Shareholder Information.....	27

**Not FDIC Insured | May Lose Value | No Bank Guarantee**

# SEMIANNUAL REPORT

## Institutional Fiduciary Trust Money Market Portfolio

This semiannual report for Money Market Portfolio covers the period ended December 31, 2020.

### Your Fund's Goal and Main Investments

The Fund seeks to provide investors with as high a level of current income as is consistent with the preservation of shareholders' capital and liquidity by investing through The U.S. Government Money Market Portfolio (Master Portfolio) at least 99.95% of its total assets in government securities, cash and repurchase agreements collateralized fully by government securities or cash.<sup>1</sup> The Fund also tries to maintain a stable \$1.00 share price.

*An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency or institution. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.*

### Performance Overview

The U.S. Federal Reserve (Fed) held its target range for the federal funds rate unchanged at 0.00%-0.25% during the six-month period. In this environment, the Fund's seven-day effective yield remained unchanged from 0.00% on June 30, 2020, to 0.00% on December 31, 2020, as shown in the Performance Summary on page 4.

*Performance data represent past performance, which does not guarantee future results. Investment return will fluctuate. Current performance may differ from figures shown. For most recent month-end performance, go to [ftinstitutional.com](http://ftinstitutional.com) or call a Franklin Templeton Institutional Services representative at (800) 321-8563.*

### Portfolio Composition 12/31/20

	% of Total Net Assets
U.S. Government and Agency Securities	87.9%
Repurchase Agreements	11.4%
Other Net Assets	0.7%

### Economic and Market Overview

The U.S. bond market, as measured by the Bloomberg Barclays U.S. Aggregate Bond Index, posted modest total returns during the six months ended December 31, 2020, as markets adjusted to the disruption caused by the novel coronavirus (COVID-19) pandemic. Before the period, investor flight to perceived safety had driven the 10-year U.S. Treasury yield (which moves inversely to price) to intraday record lows, while corporate bond yields increased, reflecting increased credit risk amid widespread economic disruption. During the period, however, Fed support reduced many investors' concerns about solvency, and corporate bonds rebounded. Corporate bonds, particularly high-yield bonds, also benefited from the resolution of the U.S. election and several promising vaccine results.

The Fed maintained the federal funds target rate at a range of 0.00%–0.25% and continued its program of open-ended purchasing of government-backed and corporate bonds as necessary to help keep markets functioning. Furthermore, the Fed signaled that interest rates would potentially remain low, even if inflation moderately exceeded the Fed's 2% target for some time.

U.S. Treasury bonds, as measured by the Bloomberg Barclays U.S. Treasury Index, posted marginally negative total returns for the period. The 10-year U.S. Treasury yield declined to a new record low closing in early August 2020 and rose for the period, but it remained historically low despite the widening U.S. federal budget deficit and high levels of issuance. The Fed's new inflation policy also pressured Treasuries, as inflation expectations rose. Mortgage-backed securities (MBS), as measured by the Bloomberg Barclays MBS Index, posted only marginally

1. Although U.S. government-sponsored entities may be chartered by acts of Congress, their securities are neither issued nor guaranteed by the U.S. government. Please see the Fund's prospectus for a detailed discussion regarding various levels of credit support for government agency or instrumentality securities. The Fund's yield and share price are not guaranteed and will vary with market conditions.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Statement of Investments (SOI). The SOI begins on page 7.

positive returns for the period despite Fed support, as lower interest rates led to accelerated prepayments from mortgage refinancing.

U.S. corporate bond performance was strong overall but varied based on credit rating, reflecting the recovery of credit markets following the initial COVID-19 shock. As Fed support tempered many investors' concerns about credit quality, corporate bonds rebounded, particularly the lower-rated segment. Consequently, high-yield corporate bonds, as represented by the Bloomberg Barclays U.S. Corporate High Yield Bond Index, advanced significantly. Investment-grade corporate bonds, as represented by the Bloomberg Barclays U.S. Corporate Bond Index, also posted a solid performance.

## Investment Strategy

We seek to invest, through the Master Portfolio, mainly in U.S. government securities, cash and repurchase agreements collateralized fully by government securities or cash. We only buy securities that we determine present minimal credit risks. We maintain a dollar-weighted average portfolio maturity of 60 days or less and a dollar-weighted average life of 120 days or less, and we only buy securities that mature in 397 calendar days or less.

## Manager's Discussion

The U.S. Federal Reserve (Fed) held its target range for the federal funds rate unchanged at 0.00%-0.25% during the six-month period. Money market yields remained pressured over the period given extremely low short-term interest rates. We continued to invest the Portfolio's assets in high-quality, short-term securities.

We appreciate your support, welcome new shareholders and look forward to serving your investment needs in the years ahead.

---

*The foregoing information reflects our analysis, opinions and portfolio holdings as of December 31, 2020, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.*

## Performance Summary as of December 31, 2020

Symbol	Seven-Day Effective Yield <sup>1,2</sup>	Seven-Day Annualized Yield <sup>1</sup>	
		(with fee waiver)	(without fee waiver)
INFXX	0.00%	0.00%	-0.10%

Performance data represent past performance, which does not guarantee future results. Investment return will fluctuate. Current performance may differ from figures shown. For most recent month-end performance, go to [ftinstitutional.com](http://ftinstitutional.com) or call a Franklin Templeton Institutional Services representative at (800) 321-8563.

### Total Annual Operating Expenses<sup>3</sup>

	With Fee Waiver	Without Fee Waiver
	0.35%	0.35%

1. The Fund has a voluntary fee waiver that may be modified or discontinued at any time, and without further notice. Fund investment results reflect the fee waiver; without this reduction, the results would have been lower. There is no guarantee the Fund will be able to avoid a negative yield.

2. The seven-day effective yield assumes compounding of daily dividends, if any.

3. The figure is as stated in the Fund's current prospectus, does not include the voluntary fee waiver, and may differ from the expense ratio disclosed in the Your Fund's Expenses and Financial Highlights sections in this report. In periods of market volatility, assets may decline significantly, causing total annual Fund operating expenses to become higher than the figures shown.

Annualized and effective yields are for the seven-day period ended 12/31/20. The Fund's average weighted life was 77 days and the Fund's average weighted maturity was 34 days. Yield reflects Fund expenses and fluctuations in interest rates on Portfolio investments.

## Your Fund's Expenses

As a Fund shareholder, you can incur two types of costs: (1) transaction costs, including sales charges (loads) on Fund purchases and redemptions, if applicable; and (2) ongoing Fund costs, including management fees, distribution and service (12b-1) fees, if applicable, and other Fund expenses. All mutual funds have ongoing costs, sometimes referred to as operating expenses. The table below shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other mutual funds. The table assumes a \$1,000 investment held for the six months indicated.

### Actual Fund Expenses

The table below provides information about actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of Fund expenses, is used to calculate the "Ending Account Value." You can estimate the expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then  $\$8,600 \div \$1,000 = 8.6$* ). Then multiply the result by the number in the row under the headings "Actual" and "Expenses Paid During Period" (*if Actual Expenses Paid During Period were \$7.50, then  $8.6 \times \$7.50 = \$64.50$* ). In this illustration, the actual expenses paid this period are \$64.50.

### Hypothetical Example for Comparison with Other Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that expenses shown in the table are meant to highlight ongoing costs and do not reflect any transactional costs. Therefore, information under the heading "Hypothetical" is useful in comparing ongoing costs only, and will not help you compare total costs of owning different funds. In addition, if transactional costs were included, your total costs would have been higher.

Beginning Account Value 7/1/20	Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		Annualized Expense Ratio <sup>2</sup>
	Ending Account Value 12/31/20	Expenses Paid During Period 7/1/20–12/31/20 <sup>1,2</sup>	Ending Account Value 12/31/20	Expenses Paid During Period 7/1/20–12/31/20 <sup>1,2</sup>	
\$1,000	\$1,000.00	\$0.80	\$1,024.33	\$0.81	0.16%

1. Expenses are equal to the annualized expense ratio, which includes the net expenses incurred by the Portfolio, for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 184/365 to reflect the one-half year period.

2. Reflects expenses after fee waivers and expense reimbursements.

## Financial Highlights

### Money Market Portfolio

	Six Months Ended December 31, 2020 (unaudited)	Year Ended June 30,				
		2020	2019	2018	2017	2016
<b>Per share operating performance</b>						
(for a share outstanding throughout the period)						
Net asset value, beginning of period . . . . .	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Income from investment operations:						
Net investment income (loss) . . . . .	(—) <sup>a</sup>	0.010	0.019	0.009	0.002	—
Less distributions from:						
Net investment income . . . . .	—	(0.010)	(0.019)	(0.009)	(0.002)	—
Net asset value, end of period . . . . .	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Total return <sup>b</sup> . . . . .	—%	1.10%	1.90%	0.94%	0.16%	—%
<b>Ratios to average net assets<sup>c</sup></b>						
Expenses before waiver and payments by affiliates <sup>d</sup> . . . . .	0.36%	0.35%	0.35%	0.35%	0.35%	0.35%
Expenses net of waiver and payments by affiliates <sup>d</sup> . . . . .	0.16%	0.33%	0.35%	0.35%	0.34%	0.19%
Net investment income (loss) . . . . .	(—)% <sup>e</sup>	1.17%	1.88%	0.95%	0.17%	—%
<b>Supplemental data</b>						
Net assets, end of period (000's) . . . . .	\$8,559,390	\$14,571,556	\$20,274,082	\$20,728,903	\$18,970,507	\$19,608,162

<sup>a</sup>Amount rounds to less than \$0.001 per share.

<sup>b</sup>Total return is not annualized for periods less than one year.

<sup>c</sup>Ratios are annualized for periods less than one year.

<sup>d</sup>The expense ratio includes the Fund's share of the Portfolio's allocated expenses.

<sup>e</sup>Rounds to less than 0.01%.

Statement of Investments (unaudited), December 31, 2020

Money Market Portfolio

	Shares	Value
<b>Money Market Funds 100.0%</b>		
<sup>a</sup> U.S. Government Money Market Portfolio (The), 0% . . . . .	8,559,123,625	\$8,559,123,625
<b>Total Money Market Funds (Cost \$8,559,123,625)</b> . . . . .		<b>8,559,123,625</b>
<b>Other Assets, less Liabilities 0.0%<sup>†</sup></b> . . . . .		<b>265,985</b>
<b>Net Assets 100.0%</b> . . . . .		<b>\$8,559,389,610</b>

<sup>†</sup> Rounds to less than 0.1% of net assets.

<sup>a</sup> The rate shown is the annualized seven-day effective yield at period end.

## Statement of Assets and Liabilities

December 31, 2020 (unaudited)

	<b>Money Market Portfolio</b>
<b>Assets:</b>	
Investment in affiliated Portfolio, at value and cost .....	\$8,559,123,625
<b>Receivables:</b>	
Interest .....	58,450
Affiliates .....	309,206
Other assets .....	26,649
Total assets .....	<u>8,559,517,930</u>
<b>Liabilities:</b>	
<b>Payables:</b>	
Administrative fees .....	50,008
Professional fees .....	61,871
Trustees' fees and expenses .....	16,441
Total liabilities .....	<u>128,320</u>
Net assets, at value .....	<u>\$8,559,389,610</u>
<b>Net assets consist of:</b>	
Paid-in capital .....	\$8,559,389,610
Total distributable earnings (losses) .....	<u>—</u>
Net assets, at value .....	<u>\$8,559,389,610</u>
Shares outstanding .....	<u>8,559,391,741</u>
Net asset value per share .....	<u>\$1.00</u>

## Statement of Operations

for the six months ended December 31, 2020 (unaudited)

	<b>Money Market Portfolio</b>
Investment income:	
Dividends from affiliated Portfolio . . . . .	\$379,783
Expenses:	
Administrative fees (Note 3a) . . . . .	9,343,253
Transfer agent fees (Note 3b) . . . . .	33,457
Reports to shareholders . . . . .	4,000
Registration and filing fees . . . . .	18,928
Professional fees . . . . .	77,244
Trustees' fees and expenses . . . . .	49,645
Other . . . . .	25,979
Total expenses . . . . .	9,552,506
Expenses waived/paid by affiliates (Note 3c) . . . . .	(9,102,007)
Net expenses . . . . .	450,499
Net investment income (loss) . . . . .	(70,716)
Net increase (decrease) in net assets resulting from operations . . . . .	\$(70,716)

## Statements of Changes in Net Assets

	<b>Money Market Portfolio</b>	
	<b>Six Months Ended December 31, 2020 (unaudited)</b>	<b>Year Ended June 30, 2020</b>
Increase (decrease) in net assets:		
Operations:		
Net investment income (loss) . . . . .	\$(70,716)	\$186,271,388
Distributions to shareholders: . . . . .	—	(186,200,672)
Capital share transactions (Note 2). . . . .	(6,012,096,055)	(5,702,596,010)
Net increase (decrease) in net assets . . . . .	(6,012,166,771)	(5,702,525,294)
Net assets:		
Beginning of period . . . . .	14,571,556,381	20,274,081,675
End of period . . . . .	\$8,559,389,610	\$14,571,556,381

# Notes to Financial Statements (unaudited)

## Money Market Portfolio

### 1. Organization and Significant Accounting Policies

Institutional Fiduciary Trust (Trust) is registered under the Investment Company Act of 1940 (1940 Act) as an open-end management investment company, consisting of one fund, Money Market Portfolio (Fund) and applies the specialized accounting and reporting guidance in U.S. Generally Accepted Accounting Principles (U.S. GAAP).

The Fund invests substantially all of its assets in The U.S. Government Money Market Portfolio (Portfolio), which is registered under the 1940 Act as an open-end management investment company and applies the specialized accounting and reporting guidance in U.S. GAAP. The accounting policies of the Portfolio, including the Portfolio's security valuation policies, will directly affect the recorded value of the Fund's investment in the Portfolio. The financial statements of the Portfolio, including the Statement of Investments, are included elsewhere in this report and should be read in conjunction with the Fund's financial statements.

Shares of the Fund are offered to other investment companies and accounts managed by Franklin Advisers Inc. (Advisers) or its affiliates, and to other institutional investors. At December 31, 2020, Advisers, affiliates of Advisers, investment companies and accounts managed by Advisers or its affiliates owned 8,559,391,741 shares of the Fund.

The following summarizes the Fund's significant accounting policies.

#### a. Financial Instrument Valuation

The Fund holds Portfolio shares that are valued at the closing net asset value of the Portfolio. Under compliance policies and procedures approved by the Fund's Board of Trustees (the Board), the Fund's administrator has responsibility for oversight of valuation, including leading the cross-functional Valuation Committee (VC). At December 31, 2020, the Fund owned 69.2% of the Portfolio.

#### b. Income Taxes

It is the Fund's policy to qualify as a regulated investment company under the Internal Revenue Code. The Fund intends to distribute to shareholders substantially all of its taxable income and net realized gains to relieve it from federal income and excise taxes. As a result, no provision for U.S. federal income taxes is required.

The Fund may recognize an income tax liability related to its uncertain tax positions under U.S. GAAP when the uncertain tax position has a less than 50% probability that it will be sustained upon examination by the tax authorities based on its technical merits. As of December 31, 2020, the Fund has determined that no tax liability is required in its financial statements related to uncertain tax positions for any open tax years (or expected to be taken in future tax years). Open tax years are those that remain subject to examination and are based on the statute of limitations in each jurisdiction in which the Fund invests.

#### c. Security Transactions, Investment Income, Expenses and Distributions

Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on a specific identification basis. Income received from the Portfolio and estimated expenses are accrued daily. Dividends from net investment income are normally declared and distributed daily; these dividends may be reinvested or paid monthly to shareholders. Distributions from net realized capital gains and other distributions, if any, are recorded on the ex-dividend date. Distributable earnings are determined according to income tax regulations (tax basis) and may differ from earnings recorded in accordance with U.S. GAAP. These differences may be permanent or temporary. Permanent differences are reclassified among capital accounts to reflect their tax character. These reclassifications have no impact on net assets or the results of operations. Temporary differences are not reclassified, as they may reverse in subsequent periods.

#### d. Accounting Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

**Money Market Portfolio** (continued)

**1. Organization and Significant Accounting Policies**  
 (continued)

**e. Guarantees and Indemnifications**

Under the Trust's organizational documents, its officers and trustees are indemnified by the Trust against certain liabilities arising out of the performance of their duties to the Trust.

Additionally, in the normal course of business, the Trust, on behalf of the Fund, enters into contracts with service providers that contain general indemnification clauses. The Trust's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred. Currently, the Trust expects the risk of loss to be remote.

**2. Shares of Beneficial Interest**

At December 31, 2020, there were an unlimited number of shares authorized (without par value). Transactions in the Fund's shares at \$1.00 per share were as follows:

	<b>Six Months Ended December 31, 2020</b>	<b>Year Ended June 30, 2020</b>
	<b>Amount</b>	<b>Amount</b>
Shares sold <sup>a</sup> . . . . .	\$38,435,103,155	\$85,589,365,933
Shares issued in reinvestment of distributions . . . . .	—	137,615,589
Shares redeemed . . . . .	(44,447,199,210)	(91,429,577,532)
Net increase (decrease) . . . . .	\$(6,012,096,055)	\$(5,702,596,010)

**3. Transactions with Affiliates**

Franklin Resources, Inc. is the holding company for various subsidiaries that together are referred to as Franklin Templeton. Certain officers and trustees of the Trust are also officers, directors and/or trustees of the Portfolio and of the following subsidiaries:

<b>Subsidiary</b>	<b>Affiliation</b>
Franklin Templeton Services, LLC (FT Services)	Administrative manager
Franklin Templeton Investor Services, LLC (Investor Services)	Transfer agent

**a. Administrative Fees**

The Fund pays an administrative fee to FT Services of 0.20% per year of the average daily net assets of the Fund.

**b. Transfer Agent Fees**

Investor Services, under terms of an agreement, performs shareholder servicing for the Fund and is not paid by the Fund for the services.

**c. Waiver and Expense Reimbursements**

In efforts to prevent a negative yield, FT Services has voluntarily agreed to waive or limit its fees, assume as its own expense certain expenses otherwise payable by the Fund and if necessary, make a capital infusion into the Fund. These waivers, expense reimbursements and capital infusions are voluntary and may be modified or discontinued by FT Services at any time, and without further notice. Total expenses waived or paid are not subject to recapture subsequent to the Fund's fiscal year end. There is no guarantee that the Fund will be able to avoid a negative yield.

**4. Income Taxes**

At December 31, 2020, the cost of investments for book and income tax purposes were the same.

**Money Market Portfolio** (continued)

**5. Novel Coronavirus Pandemic**

The global outbreak of the novel coronavirus disease, known as COVID-19, has caused adverse effects on many companies, sectors, nations, regions and the markets in general, and may continue for an unpredictable duration. The effects of this pandemic may materially impact the value and performance of the Fund, its ability to buy and sell fund investments at appropriate valuations and its ability to achieve its investment objectives.

**6. Fair Value Measurements**

The Fund follows a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Fund's own market assumptions (unobservable inputs). These inputs are used in determining the value of the Fund's financial instruments and are summarized in the following fair value hierarchy:

- Level 1 – quoted prices in active markets for identical financial instruments
- Level 2 – other significant observable inputs (including quoted prices for similar financial instruments, interest rates, prepayment speed, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of financial instruments).

The input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level.

At December 31, 2020, all of the Fund's investments in financial instruments carried at fair value were valued using Level 1 inputs.

**7. Subsequent Events**

The Fund has evaluated subsequent events through the issuance of the financial statements and determined that no events have occurred that require disclosure.

## Tax Information (unaudited)

### **Money Market Portfolio**

Under Section 163(j) of the Internal Revenue Code, the Fund hereby reports 100% of the ordinary income dividends as income qualifying as 163(j) interest dividends for the fiscal year ended June 30, 2020.

## Financial Highlights

### The U.S. Government Money Market Portfolio

	Six Months Ended December 31, 2020 (unaudited)	Year Ended June 30,				
		2020	2019	2018	2017	2016
<b>Per share operating performance</b>						
(for a share outstanding throughout the period)						
Net asset value, beginning of period . . . . .	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Income from investment operations:						
Net investment income (loss) . . . . .	— <sup>a</sup>	0.013	0.021	0.011	0.003	0.001
Net realized and unrealized gains (losses) <sup>a</sup> . . . . .	(—)	—	—	(—)	—	—
Total from investment operations . . . . .	— <sup>a</sup>	0.013	0.021	0.011	0.003	0.001
Less distributions from:						
Net investment income . . . . .	— <sup>a</sup>	(0.013)	(0.021)	(0.011)	(0.003)	(0.001)
Net asset value, end of period . . . . .	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Total return <sup>b</sup> . . . . .	—%	1.29%	2.10%	1.15%	0.35%	0.07%
<b>Ratios to average net assets<sup>c</sup></b>						
Expenses before waiver and payments by affiliates . . . . .	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%
Expenses net of waiver and payments by affiliates <sup>d</sup> . . . . .	0.13%	0.15%	0.15%	0.15%	0.15%	0.13%
Net investment income . . . . .	— <sup>e</sup>	1.33%	2.09%	1.15%	0.35%	0.06%
<b>Supplemental data</b>						
Net assets, end of period (000's) . . . . .	\$12,365,747	\$18,381,976	\$23,218,541	\$23,700,037	\$21,564,546	\$22,324,993

<sup>a</sup>Amount rounds to less than \$0.001 per share.

<sup>b</sup>Total return is not annualized for periods less than one year.

<sup>c</sup>Ratios are annualized for periods less than one year.

<sup>d</sup>Benefit of expense reduction rounds to less than 0.01%.

<sup>e</sup>Rounds to less than 0.01%.

Statement of Investments (unaudited), December 31, 2020

The U.S. Government Money Market Portfolio

	Principal Amount	Value
<b>U.S. Government and Agency Securities 87.9%</b>		
FFCB,		
<sup>a</sup> 1/04/21 .....	\$106,800,000	\$106,799,911
<sup>a</sup> 1/12/21 .....	40,000,000	39,999,236
<sup>b</sup> FRN, 0.19%, (SOFRRATE + 0.1%), 1/05/21 .....	90,000,000	90,000,000
<sup>b</sup> FRN, 0.17%, (SOFRRATE + 0.08%), 1/14/21 .....	17,000,000	17,000,000
<sup>b</sup> FRN, 0.26%, (SOFRRATE + 0.17%), 3/15/22 .....	66,000,000	66,000,000
<sup>b</sup> FRN, 0.29%, (SOFRRATE + 0.2%), 6/23/22 .....	100,000,000	100,000,000
<sup>b</sup> FRN, 0.28%, (SOFRRATE + 0.19%), 7/14/22 .....	35,000,000	35,000,000
<sup>b</sup> FRN, 0.235%, (SOFRRATE + 0.145%), 7/28/22 .....	9,000,000	9,000,000
<sup>b</sup> FRN, 0.155%, (SOFRRATE + 0.065%), 11/18/22 .....	25,000,000	25,000,000
		488,799,147
FHLB,		
<sup>a</sup> 1/04/21 .....	361,500,000	361,497,874
<sup>a</sup> 1/05/21 .....	339,951,000	339,949,445
<sup>a</sup> 1/06/21 .....	425,860,000	425,855,002
<sup>a</sup> 1/07/21 .....	50,000,000	49,999,417
<sup>a</sup> 1/08/21 .....	278,000,000	277,995,239
<sup>a</sup> 1/12/21 .....	27,380,000	27,379,247
<sup>a</sup> 1/13/21 .....	150,000,000	149,996,217
<sup>a</sup> 1/15/21 .....	240,300,000	240,292,616
<sup>a</sup> 1/20/21 .....	100,000,000	99,994,722
<sup>a</sup> 1/22/21 .....	95,000,000	94,995,403
<sup>a</sup> 2/03/21 .....	137,088,000	137,079,132
<sup>a</sup> 2/05/21 .....	140,000,000	139,990,336
<sup>a</sup> 2/10/21 .....	50,000,000	49,995,833
<sup>a</sup> 2/12/21 .....	100,000,000	99,990,317
<sup>a</sup> 2/17/21 .....	50,000,000	49,994,451
<sup>a</sup> 2/19/21 .....	100,000,000	99,988,158
<sup>a</sup> 3/08/21 .....	10,000,000	9,993,950
<sup>a</sup> 3/12/21 .....	58,000,000	57,991,542
<sup>a</sup> 3/17/21 .....	50,000,000	49,991,771
<sup>a</sup> 3/19/21 .....	150,000,000	149,938,828
<sup>b</sup> FRN, 0.25%, (SOFRRATE + 0.16%), 1/07/21 .....	100,000,000	100,000,000
<sup>b</sup> FRN, 0.23%, (SOFRRATE + 0.14%), 1/08/21 .....	95,000,000	95,000,000
<sup>b</sup> FRN, 0.19%, (SOFRRATE + 0.1%), 2/22/21 .....	230,000,000	229,996,703
<sup>b</sup> FRN, 0.125%, (SOFRRATE + 0.035%), 2/25/21 .....	27,500,000	27,500,000
<sup>b</sup> FRN, 0.17%, (SOFRRATE + 0.08%), 3/04/21 .....	190,000,000	190,000,000
<sup>b</sup> FRN, 0.225%, (SOFRRATE + 0.135%), 3/10/21 .....	60,000,000	60,000,000
<sup>b</sup> FRN, 0.32%, (SOFRRATE + 0.23%), 4/13/21 .....	100,000,000	100,000,000
<sup>b</sup> FRN, 0.24%, (SOFRRATE + 0.15%), 11/15/21 .....	40,000,000	40,000,000
<sup>b</sup> FRN, 0.125%, (SOFRRATE + 0.035%), 12/10/21 .....	50,000,000	50,000,000
<sup>b</sup> FRN, 0.145%, (SOFRRATE + 0.055%), 5/13/22 .....	50,000,000	50,000,000
<sup>b</sup> FRN, 0.15%, (SOFRRATE + 0.06%), 11/18/22 .....	50,000,000	50,000,000
		3,905,406,203
<sup>b</sup> FHLMC,		
FRN, 0.39%, (SOFRRATE + 0.3%), 10/25/21 .....	50,000,000	50,000,000
FRN, 0.25%, (SOFRRATE + 0.16%), 4/20/22 .....	195,000,000	195,000,000
FRN, 0.28%, (SOFRRATE + 0.19%), 5/11/22 .....	100,000,000	100,000,000
		345,000,000
<sup>b</sup> FNMA,		
FRN, 0.42%, (SOFRRATE + 0.33%), 10/15/21 .....	50,000,000	50,000,000
FRN, 0.41%, (SOFRRATE + 0.32%), 10/22/21 .....	50,000,000	50,000,000
FRN, 0.45%, (SOFRRATE + 0.36%), 1/20/22 .....	50,000,000	50,000,000
FRN, 0.39%, (SOFRRATE + 0.3%), 1/27/22 .....	50,000,000	50,000,000
FRN, 0.41%, (SOFRRATE + 0.32%), 4/27/22 .....	50,000,000	50,000,000

The U.S. Government Money Market Portfolio (continued)

	Principal Amount	Value
<b>U.S. Government and Agency Securities (continued)</b>		
<sup>b</sup> FNMA, (continued)		
FRN, 0.32%, (SOFRRATE + 0.23%), 5/06/22 . . . . .	\$50,000,000	\$50,000,000
		<u>300,000,000</u>
<sup>a</sup> U.S. Treasury Bills,		
1/05/21 . . . . .	234,015,000	234,012,790
1/07/21 . . . . .	226,790,000	226,786,277
1/12/21 . . . . .	186,550,000	186,546,295
1/14/21 . . . . .	190,000,000	189,992,453
1/19/21 . . . . .	356,660,000	356,647,298
1/21/21 . . . . .	273,760,000	273,747,565
1/26/21 . . . . .	340,000,000	339,978,472
1/28/21 . . . . .	259,260,000	259,243,625
2/02/21 . . . . .	150,000,000	149,990,000
2/04/21 . . . . .	95,000,000	94,992,822
2/09/21 . . . . .	345,000,000	344,968,042
2/11/21 . . . . .	290,000,000	289,963,669
2/16/21 . . . . .	144,340,000	144,325,245
2/18/21 . . . . .	137,255,000	137,235,784
2/23/21 . . . . .	140,000,000	139,981,450
2/25/21 . . . . .	100,000,000	99,984,722
3/04/21 . . . . .	45,000,000	44,991,862
3/11/21 . . . . .	190,000,000	189,967,417
3/18/21 . . . . .	150,000,000	149,969,917
3/23/21 . . . . .	95,000,000	94,981,831
3/30/21 . . . . .	195,000,000	194,952,517
4/01/21 . . . . .	76,020,000	76,000,045
4/08/21 . . . . .	145,000,000	144,968,744
4/13/21 . . . . .	250,000,000	249,932,000
4/15/21 . . . . .	200,000,000	199,950,889
4/20/21 . . . . .	45,000,000	44,986,375
4/22/21 . . . . .	95,000,000	94,973,637
4/27/21 . . . . .	203,380,000	203,321,020
5/06/21 . . . . .	100,000,000	99,961,806
5/20/21 . . . . .	85,000,000	84,967,181
5/25/21 . . . . .	95,000,000	94,965,800
6/01/21 . . . . .	300,000,000	299,880,458
6/10/21 . . . . .	90,000,000	89,964,000
		<u>5,827,132,008</u>
<b>Total U.S. Government and Agency Securities (Cost \$10,866,337,358) . . . . .</b>		<b>10,866,337,358</b>
<sup>c</sup> Repurchase Agreements 11.4%		
BNP Paribas Securities Corp., 0.05%, 1/04/21 (Maturity Value \$600,003,333) Collateralized by U.S. Treasury Note, 1.625%, 11/15/22 (valued at \$612,113,094) . .	600,000,000	600,000,000
Deutsche Bank Securities, Inc., 0.06%, 1/04/21 (Maturity Value \$56,000,373) Collateralized by U.S. Treasury Bond, 7.25%, 8/15/22; and U.S. Treasury Notes, 0.125% - 4.375%, 2/15/21 - 8/31/25 (valued at \$57,120,087) . . . . .	56,000,000	56,000,000
Federal Reserve Bank of New York, 0%, 1/04/21 (Maturity Value \$500,000,000) Collateralized by U.S. Treasury Bond, 4.375%, 5/15/40 (valued at \$500,000,001) . .	500,000,000	500,000,000
Goldman Sachs & Co. LLC, 0.03%, 1/04/21 (Maturity Value \$125,000,417) Collateralized by U.S. Treasury Note, 2.875%, 5/31/25 (valued at \$127,602,586) . .	125,000,000	125,000,000

**The U.S. Government Money Market Portfolio** (continued)

	Principal Amount	Value
<sup>c</sup> <b>Repurchase Agreements</b> (continued)		
HSBC Securities, Inc., 0.06%, 1/04/21 (Maturity Value \$135,000,900)		
Collateralized by U.S. Government Agency Securities, 4% - 4.25%, 2/20/49 - 2/20/50 (valued at \$137,700,000) .....	\$135,000,000	\$135,000,000
<b>Total Repurchase Agreements (Cost \$1,416,000,000)</b> .....		<b>1,416,000,000</b>
<b>Total Short Term Investments (Cost \$12,282,337,358)</b> .....		<b>12,282,337,358</b>
<b>Total Investments (Cost \$12,282,337,358) 99.3%</b> .....		<b>\$12,282,337,358</b>
<b>Other Assets, less Liabilities 0.7%</b> .....		<b>83,409,699</b>
<b>Net Assets 100.0%</b> .....		<b>\$12,365,747,057</b>

See abbreviations on page 25.

<sup>a</sup> The security was issued on a discount basis with no stated coupon rate.

<sup>b</sup> The coupon rate shown represents the rate at period end.

<sup>c</sup> See Note 1(b) regarding repurchase agreement.

## Statement of Assets and Liabilities

December 31, 2020 (unaudited)

	<b>The U.S. Government Money Market Portfolio</b>
<b>Assets:</b>	
Investments in unaffiliated securities, at amortized cost .....	\$10,866,337,358
Unaffiliated repurchase agreements, at value and cost .....	1,416,000,000
Cash .....	84,008,087
<b>Receivables:</b>	
Capital shares sold .....	92,311,087
Interest .....	785,055
Total assets .....	<u>12,459,441,587</u>
<b>Liabilities:</b>	
<b>Payables:</b>	
Capital shares redeemed .....	92,396,272
Management fees .....	1,135,675
Distributions to shareholders .....	11,346
Accrued expenses and other liabilities .....	151,237
Total liabilities .....	<u>93,694,530</u>
Net assets, at value .....	<u>\$12,365,747,057</u>
<b>Net assets consist of:</b>	
Paid-in capital .....	\$12,365,747,609
Total distributable earnings (losses) .....	(552)
Net assets, at value .....	<u>\$12,365,747,057</u>
Shares outstanding .....	<u>12,365,749,209</u>
Net asset value per share .....	<u>\$1.00</u>

## Statement of Operations

for the six months ended December 31, 2020 (unaudited)

	<b>The U.S. Government Money Market Portfolio</b>
Investment income:	
Interest:	
Unaffiliated issuers . . . . .	\$8,640,133
Expenses:	
Management fees (Note 3a) . . . . .	9,916,310
Custodian fees (Note 4) . . . . .	45,658
Reports to shareholders . . . . .	3,239
Registration and filing fees . . . . .	392
Professional fees . . . . .	70,700
Other . . . . .	93,256
Total expenses . . . . .	10,129,555
Expense reductions (Note 4) . . . . .	(45,331)
Expenses waived/paid by affiliates (Note 3 and 3c) . . . . .	(1,653,760)
Net expenses . . . . .	8,430,464
Net investment income . . . . .	209,669
Net realized gain (loss) from:	
Investments:	
Unaffiliated issuers . . . . .	(552)
Net increase (decrease) in net assets resulting from operations . . . . .	\$209,117

## Statements of Changes in Net Assets

### The U.S. Government Money Market Portfolio

	Six Months Ended December 31, 2020 (unaudited)	Year Ended June 30, 2020
Increase (decrease) in net assets:		
Operations:		
Net investment income . . . . .	\$209,669	\$255,196,429
Net realized gain (loss) . . . . .	(552)	101,900
Net increase (decrease) in net assets resulting from operations . . . . .	209,117	255,298,329
Distributions to shareholders: . . . . .	(306,200)	(255,196,429)
Capital share transactions (Note 2). . . . .	(6,016,131,669)	(4,836,667,251)
Net increase (decrease) in net assets . . . . .	(6,016,228,752)	(4,836,565,351)
Net assets:		
Beginning of period . . . . .	18,381,975,809	23,218,541,160
End of period . . . . .	\$12,365,747,057	\$18,381,975,809

# Notes to Financial Statements (unaudited)

## The U.S. Government Money Market Portfolio

### 1. Organization and Significant Accounting Policies

The Money Market Portfolios (Trust) is registered under the Investment Company Act of 1940 (1940 Act) as an open-end management investment company, consisting of one portfolio The U.S. Government Money Market Portfolio (Portfolio) and applies the specialized accounting and reporting guidance in U.S. Generally Accepted Accounting Principles (U.S. GAAP). The shares of the Portfolio are issued in private placements and are exempt from registration under the Securities Act of 1933.

The following summarizes the Portfolio's significant accounting policies.

#### a. Financial Instrument Valuation

Securities are valued at amortized cost, which approximates fair value. Amortized cost is an income-based approach which involves valuing an instrument at its cost and thereafter assuming a constant amortization to maturity of any discount or premium. Under compliance policies and procedures approved by the Portfolio's Board of Trustees (the Board), Franklin Templeton Services, LLC, an affiliate of the investment manager, has responsibility for oversight of valuation, including leading the cross-functional Valuation Committee (VC).

#### b. Repurchase Agreements

The Portfolio enters into repurchase agreements, which are accounted for as a loan by the Portfolio to the seller, collateralized by securities which are delivered to the Portfolio's custodian. The fair value, including accrued interest, of the initial collateralization is required to be at least 102% (if the counterparty is a bank or broker-dealer) or 100% (if the counterparty is the Federal Reserve Bank of New York) of the dollar amount invested by the Portfolio, with the value of the underlying securities marked to market daily to maintain coverage of at least 100%. Repurchase agreements are subject to the terms of Master Repurchase Agreements (MRAs) with approved counterparties (sellers). The MRAs contain various provisions, including but not limited to events of default and maintenance of collateral for repurchase agreements. In the event of default by either the seller or the Portfolio, certain MRAs may permit the non-defaulting party to net and close-out all transactions, if any, traded under such agreements. The Portfolio may sell securities it holds as collateral and apply the proceeds towards the repurchase price and any other amounts owed by the seller to the Portfolio in the event of default by the

seller. This could involve costs or delays in addition to a loss on the securities if their value falls below the repurchase price owed by the seller. All repurchase agreements held by the Portfolio at period end, as indicated in the Statement of Investments, had been entered into on December 31, 2020.

#### c. Income Taxes

It is the Portfolio's policy to qualify as a regulated investment company under the Internal Revenue Code. The Portfolio intends to distribute to shareholders substantially all of its taxable income and net realized gains to relieve it from federal income and excise taxes. As a result, no provision for U.S. federal income taxes is required.

The Portfolio may recognize an income tax liability related to its uncertain tax positions under U.S. GAAP when the uncertain tax position has a less than 50% probability that it will be sustained upon examination by the tax authorities based on its technical merits. As of December 31, 2020, the Portfolio has determined that no tax liability is required in its financial statements related to uncertain tax positions for any open tax years (or expected to be taken in future tax years). Open tax years are those that remain subject to examination and are based on the statute of limitations in each jurisdiction in which the Portfolio invests.

#### d. Security Transactions, Investment Income, Expenses and Distributions

Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on a specific identification basis. Interest income and estimated expenses are accrued daily. Amortization of premium and accretion of discount on debt securities are included in interest income. Dividends from net investment income are normally declared daily; these dividends may be reinvested or paid monthly to shareholders. Distributions from net realized capital gains and other distributions, if any, are recorded on the ex-dividend date. Distributable earnings are determined according to income tax regulations (tax basis) and may differ from earnings recorded in accordance with U.S. GAAP. These differences may be permanent or temporary. Permanent differences are reclassified among capital accounts to reflect their tax character. These reclassifications have no impact on net assets or the results of operations. Temporary differences are not reclassified, as they may reverse in subsequent periods.

**The U.S. Government Money Market Portfolio** (continued)

**1. Organization and Significant Accounting Policies**  
(continued)

**e. Accounting Estimates**

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

**2. Shares of Beneficial Interest**

At December 31, 2020, there were an unlimited number of shares authorized (without par value). Transactions in the Portfolio's shares at \$1.00 per share were as follows:

	<b>Six Months Ended December 31, 2020</b>	<b>Year Ended June 30, 2020</b>
Shares sold . . . . .	\$15,856,454,377	\$37,539,422,141
Shares issued in reinvestment of distributions . . . . .	240,114	255,164,095
Shares redeemed . . . . .	(21,872,826,160)	(42,631,253,487)
Net increase (decrease) . . . . .	<u>\$(6,016,131,669)</u>	<u>\$(4,836,667,251)</u>

**3. Transactions with Affiliates**

Franklin Resources, Inc. is the holding company for various subsidiaries that together are referred to as Franklin Templeton. Certain officers and trustees of the Trust are also officers, directors and/or trustees of Franklin U.S Government Money Portfolio, Institutional Fiduciary Trust, and of the following subsidiaries:

<b>Subsidiary</b>	<b>Affiliation</b>
Franklin Advisers, Inc. (Advisers)	Investment manager
Franklin Templeton Investor Services, LLC (Investor Services)	Transfer agent

**a. Management Fees**

The Portfolio pays an investment management fee to Advisers of 0.15% per year of the average daily net assets of the Portfolio.

**b. Transfer Agent Fees**

Investor Services, under terms of an agreement, performs shareholder servicing for the Portfolio and is not paid by the Portfolio for the services.

**The U.S. Government Money Market Portfolio** (continued)

**3. Transactions with Affiliates** (continued)

**c. Other Affiliated Transactions**

At December 31, 2020, the shares of the Portfolio were owned by the following investment companies:

	Shares	Percentage of Outstanding Shares <sup>a</sup>
Institutional Fiduciary Trust—Money Market Portfolio . . . . .	8,559,123,625	69.2%
Franklin U.S. Government Money Fund . . . . .	3,806,625,584	30.8%
	12,365,749,209	100.0%

**4. Expense Offset Arrangement**

The Portfolio has entered into an arrangement with its custodian whereby credits realized as a result of uninvested cash balances are used to reduce a portion of the Portfolio's custodian expenses. During the period ended December 31, 2020, the custodian fees were reduced as noted in the Statement of Operations.

**5. Income Taxes**

At December 31, 2020, the cost of investments for book and income tax purposes was the same.

**6. Novel Coronavirus Pandemic**

The global outbreak of the novel coronavirus disease, known as COVID-19, has caused adverse effects on many companies, sectors, nations, regions and the markets in general, and may continue for an unpredictable duration. The effects of this pandemic may materially impact the value and performance of the Fund, its ability to buy and sell fund investments at appropriate valuations and its ability to achieve its investment objectives.

**7. Fair Value Measurements**

The Fund follows a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Fund's own market assumptions (unobservable inputs). These inputs are used in determining the value of the Fund's financial instruments and are summarized in the following fair value hierarchy:

- Level 1 – quoted prices in active markets for identical financial instruments
- Level 2 – other significant observable inputs (including quoted prices for similar financial instruments, interest rates, prepayment speed, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of financial instruments)

## The U.S. Government Money Market Portfolio (continued)

### 7. Fair Value Measurements (continued)

The input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level. Money market securities may be valued using amortized cost, in accordance with the 1940 Act. Generally, amortized cost reflects the current fair value of a security, but since the value is not obtained from a quoted price in an active market, such financial instruments were valued using Level 2 inputs.

At December 31, 2020, all of the Portfolio's investments in financial instruments carried at fair value were valued using Level 2 inputs.

### 8. Subsequent Events

The Portfolio has evaluated subsequent events through the issuance of the financial statements and determined that no events have occurred that require disclosure.

### Abbreviations

#### Selected Portfolio

---

<b>FFCB</b>	Federal Farm Credit Banks Funding Corp.
<b>FHLB</b>	Federal Home Loan Banks
<b>FHLMC</b>	Federal Home Loan Mortgage Corp.
<b>FNMA</b>	Federal National Mortgage Association
<b>FRN</b>	Floating Rate Note

## Tax Information (unaudited)

### **The U.S. Government Money Market Portfolio**

Under Section 163(j) of the Internal Revenue Code, the Portfolio hereby reports 100% of the ordinary income dividends as income qualifying as 163(j) interest dividends for the fiscal year ended June 30, 2020.

## Shareholder Information

### Proxy Voting Policies and Procedures

The Fund's investment manager has established Proxy Voting Policies and Procedures (Policies) that the Fund uses to determine how to vote proxies relating to portfolio securities. Shareholders may view the Fund's complete Policies online at [franklintempleton.com](http://franklintempleton.com). Alternatively, shareholders may request copies of the Policies free of charge by calling the Proxy Group collect at (954) 527-7678 or by sending a written request to: Franklin Templeton Companies, LLC, 300 S.E. 2nd Street, Fort Lauderdale, FL 33301, Attention: Proxy Group. Copies of the Fund's proxy voting records are also made available online at [franklintempleton.com](http://franklintempleton.com) and posted on the U.S. Securities and Exchange Commission's website at [sec.gov](http://sec.gov) and reflect the most recent 12-month period ended June 30.

### Quarterly Statement of Investments

The Trust, on behalf of the Fund, files a complete statement of investments with the U.S. Securities and Exchange Commission for the first and third quarters for each fiscal year as an exhibit to its report on Form N-PORT. Shareholders may view the filed Form N-PORT by visiting the Commission's website at [sec.gov](http://sec.gov). The filed form may also be viewed and copied at the Commission's Public Reference Room in Washington, DC. Information regarding the operations of the Public Reference Room may be obtained by calling (800) SEC-0330.

### Householding of Reports and Prospectuses

You will receive, or receive notice of the availability of, the Fund's financial reports every six months. In addition, you will receive an annual updated summary prospectus (detail prospectus available upon request). To reduce Fund expenses, we try to identify related shareholders in a household and send only one copy of the financial reports (to the extent received by mail) and summary prospectus. This process, called "householding," will continue indefinitely unless you instruct us otherwise. If you prefer not to have these documents househanded, please call us at (800) 632-2301. At any time you may view current prospectuses/summary prospectuses and financial reports on our website. If you choose, you may receive these documents through electronic delivery.

Authorized for distribution only when accompanied or preceded by a summary prospectus and/or prospectus. Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing. A prospectus contains this and other information; please read it carefully before investing.

To help ensure we provide you with quality service, all calls to and from our service areas are monitored and/or recorded.



**Semiannual Report  
Institutional Fiduciary Trust  
Money Market Portfolio**

**Investment Manager**  
Franklin Advisers, Inc.

**Distributor**  
Franklin Templeton Distributors, Inc.

**Franklin Templeton  
Institutional Services**  
(800) 321-8563  
[ftinstitutional.com](http://ftinstitutional.com)