

FRANKLIN UNIVERSAL TRUST  
Form N-Q  
January 26, 2018

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

**FORM N-Q**

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

Investment Company Act file number 811-05569

**Franklin Universal Trust**

(Exact name of registrant as specified in charter)

**One Franklin Parkway, San Mateo, CA**  
**94403-1906**

(Address of principal executive offices) (Zip code)

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

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(Name and address of agent for service)

Registrant's telephone number, including area code: (650) 312-2000

Date of fiscal year end: 8/31

Date of reporting period: 11/30/17

Item 1. Schedule of Investments.



**Statement of Investments, November 30, 2017 (unaudited)**

	Country	Shares/ Warrants	Value
<b>Common Stocks and Other Equity Interests 40.1%</b>			
<b>Energy 1.8%</b>			
<sup>a</sup> Chaparral Energy Inc., A.	United States	27,903	\$ 669,672
<sup>a,b</sup> Chaparral Energy Inc., A, 144A	United States	214	5,136
<sup>a</sup> Chaparral Energy Inc., B.	United States	5,868	140,832
<sup>a</sup> CHC Group LLC.	Cayman Islands	10,468	83,744
Enbridge Inc	Canada	39,360	1,484,265
<sup>a</sup> Energy XXI Gulf Coast Inc	United States	3,642	18,283
<sup>a</sup> Energy XXI Gulf Coast Inc., wts., 12/30/21	United States	5,433	109
<sup>a</sup> Goodrich Petroleum Corp	United States	19,379	204,448
<sup>a</sup> Halcon Resources Corp	United States	52,355	371,197
<sup>a</sup> Halcon Resources Corp., wts., 9/09/20	United States	4,668	2,660
<sup>a</sup> Linn Energy Inc	United States	14,316	536,707
<sup>a</sup> Midstates Petroleum Co. Inc	United States	318	5,282
<sup>a,c</sup> Midstates Petroleum Co. Inc., wts., 4/21/20	United States	2,256	417
<sup>a</sup> Penn Virginia Corp	United States	6,796	233,171
			3,755,923
<b>Materials 1.1%</b>			
BHP Billiton PLC, ADR	United Kingdom	25,185	915,978
<sup>a</sup> Freeport-McMoRan Inc	United States	80,380	1,118,890
South32 Ltd., ADR	Australia	10,074	122,953
<sup>a</sup> Verso Corp., A	United States	3,330	38,062
<sup>a</sup> Verso Corp., wts., 7/25/23	United States	350	3
			2,195,886
<b>Transportation 0.0%†</b>			
<sup>a</sup> CEVA Holdings LLC	United States	179	76,258
<b>Utilities 37.2%</b>			
Alliant Energy Corp	United States	80,000	3,608,800
American Electric Power Co. Inc	United States	75,000	5,822,250
CenterPoint Energy Inc	United States	122,800	3,685,228

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CMS Energy Corp	United States	65,000	3,243,500
Consolidated Edison Inc	United States	40,000	3,561,600
Dominion Energy Inc	United States	67,200	5,653,536
DTE Energy Co	United States	25,000	2,889,250
Duke Energy Corp	United States	46,060	4,107,631
Edison International	United States	36,000	2,925,720
Entergy Corp	United States	30,000	2,594,400
Exelon Corp	United States	55,000	2,294,050
FirstEnergy Corp	United States	60,000	2,048,400
Great Plains Energy Inc	United States	70,000	2,401,700
NextEra Energy Inc	United States	34,800	5,499,792
PG&E Corp	United States	30,000	1,627,200
Pinnacle West Capital Corp	United States	44,800	4,113,088
PPL Corp	United States	24,500	898,415
Public Service Enterprise Group Inc	United States	45,000	2,387,700
Sempra Energy	United States	50,000	6,049,500
The Southern Co	United States	68,250	3,494,400
WEC Energy Group Inc	United States	40,000	2,779,600
Westar Energy Inc	United States	60,000	3,432,600
Xcel Energy Inc	United States	60,000	3,096,600
			78,214,960
<b>Total Common Stocks and Other Equity Interests</b>			
<b>(Cost \$40,636,353)</b>			<b>84,243,027</b>

Quarterly Statement of Investments | See Notes to Statement of Investments. | 1

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FRANKLIN UNIVERSAL TRUST

STATEMENT OF INVESTMENTS (UNAUDITED)

	Country	Shares	Value
<b>Convertible Preferred Stocks 0.1%</b>			
<b>Transportation 0.1%</b>			
<sup>a</sup> CEVA Holdings LLC, cvt. pfd., A-1	United States	6 \$	3,510
<sup>a</sup> CEVA Holdings LLC, cvt. pfd., A-2	United States	388	165,074
<b>Total Convertible Preferred Stocks (Cost \$587,092)</b>			<b>168,584</b>
		<b>Principal</b>	<b>Amount*</b>
<b>Convertible Bonds (Cost \$995,870) 0.3%</b>			
<b>Energy 0.3%</b>			
CHC Group LLC/CHC Finance Ltd., cvt., secured note, zero cpn., 10/01/20	Cayman Islands \$	538,308	686,343
<b>Corporate Bonds 85.8%</b>			
<b>Automobiles &amp; Components 1.0%</b>			
<sup>b</sup> Allison Transmission Inc., senior bond, 144A, 4.75%, 10/01/27	United States	600,000	606,750
The Goodyear Tire & Rubber Co.,			
senior bond, 5.00%, 5/31/26	United States	1,100,000	1,142,955
senior note, 5.125%, 11/15/23	United States	300,000	312,000
			<b>2,061,705</b>
<b>Banks 1.6%</b>			
CIT Group Inc., senior note, 5.375%, 5/15/20	United States	33,000	35,063
<sup>d</sup> Citigroup Inc., junior sub. bond, M, 6.30% to 5/15/24, FRN thereafter, Perpetual	United States	1,100,000	1,191,025
<sup>d</sup> JPMorgan Chase & Co.,			
junior sub. bond, R, 6.00% to 8/01/23, FRN thereafter, Perpetual	United States	900,000	977,625
junior sub. bond, V, 5.00% to 7/30/19, FRN thereafter, Perpetual	United States	1,100,000	1,130,250
			<b>3,333,963</b>
<b>Capital Goods 4.3%</b>			
<sup>b</sup> Beacon Escrow Corp., senior note, 144A, 4.875%, 11/01/25	United States	600,000	613,125
<sup>b</sup> Cloud Crane LLC, secured note, second lien, 144A, 10.125%, 8/01/24	United States	300,000	339,000
CNH Industrial Capital LLC, senior note, 3.875%, 10/15/21	United States	1,000,000	1,025,000
<sup>b</sup> H&E Equipment Services Inc., senior note, 144A, 5.625%, 9/01/25	United States	1,300,000	1,365,000
<sup>b</sup> HD Supply Inc., senior note, 144A, 5.75%, 4/15/24	United States	400,000	427,000
Oshkosh Corp., senior note, 5.375%, 3/01/22	United States	500,000	518,750



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b Tennant Co., senior note, 144A, 5.625%, 5/01/25	United States	1,200,000	1,254,000
b Terex Corp., senior note, 144A, 5.625%, 2/01/25	United States	1,400,000	1,479,625
TransDigm Inc., senior sub. bond, 6.50%, 5/15/25	United States	100,000	102,310
b Vertiv Group Corp., senior note, 144A, 9.25%, 10/15/24	United States	1,700,000	1,853,000
			8,976,810
<b>Commercial &amp; Professional Services 1.1%</b>			
b Multi-Color Corp., senior note, 144A, 4.875%, 11/01/25	United States	1,100,000	1,111,000
b West Corp., senior note, 144A, 8.50%, 10/15/25	United States	1,300,000	1,272,375
			2,383,375
<b>Consumer Durables &amp; Apparel 5.5%</b>			
b Ashton Woods USA LLC, senior note, 144A, 6.75%, 8/01/25	United States	1,500,000	1,511,250
Beazer Homes USA Inc., senior note, 8.75%, 3/15/22	United States	1,300,000	1,428,375
b Hanesbrands Inc., senior note, 144A, 4.625%, 5/15/24	United States	1,300,000	1,327,625
KB Home, senior bond, 7.50%, 9/15/22	United States	400,000	461,000
senior note, 4.75%, 5/15/19	United States	200,000	205,250
senior note, 7.00%, 12/15/21.	United States	300,000	336,750
Newell Brands Inc., senior note, 5.00%, 11/15/23.	United States	700,000	740,871
PulteGroup Inc., senior bond, 5.00%, 1/15/27	United States	1,500,000	1,584,075

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FRANKLIN UNIVERSAL TRUST

STATEMENT OF INVESTMENTS (UNAUDITED)

	Country	Principal Amount*	Value
<b>Corporate Bonds</b> (continued)			
<b>Consumer Durables &amp; Apparel</b> (continued)			
<sup>b</sup> Taylor Morrison Communities Inc./Taylor Morrison Holdings II Inc., senior note, 144A, 5.25%, 4/15/21	United States	\$ 400,000	\$ 407,932
senior note, 144A, 5.625%, 3/01/24	United States	1,000,000	1,045,000
Toll Brothers Finance Corp., senior bond, 5.625%, 1/15/24	United States	700,000	765,625
<sup>b</sup> Weekley Homes LLC/Weekley Finance Corp., senior note, 144A, 6.625%, 8/15/25	United States	1,700,000	1,666,255
			11,480,008
<b>Consumer Services 6.7%</b>			
<sup>b</sup> 1011778 BC ULC/New Red Finance Inc., senior secured note, first lien, 144A, 4.25%, 5/15/24.	Canada	900,000	903,600
<sup>b</sup> 24 Hour Holdings III LLC, senior note, 144A, 8.00%, 6/01/22	United States	1,300,000	1,254,500
<sup>b</sup> Ascend Learning LLC, senior note, 144A, 6.875%, 8/01/25	United States	900,000	938,250
<sup>b</sup> International Game Technology PLC, senior secured bond, 144A, 6.50%, 2/15/25	United States	2,200,000	2,486,000
<sup>b</sup> Jack Ohio Finance LLC/Jack Ohio Finance 1 Corp., senior secured note, first lien, 144A, 6.75%, 11/15/21	United States	1,700,000	1,799,875
<sup>b</sup> KFC Holding Co./Pizza Hut Holdings LLC/Taco Bell of America LLC, senior note, 144A, 5.00%, 6/01/24	United States	600,000	630,000
senior note, 144A, 5.25%, 6/01/26	United States	600,000	636,000
<sup>b</sup> Silversea Cruise Finance Ltd., senior secured note, first lien, 144A, 7.25%, 2/01/25 .	United States	500,000	541,250
United Rentals North America Inc., senior bond, 5.75%, 11/15/24	United States	1,400,000	1,482,250
senior bond, 5.875%, 9/15/26	United States	100,000	108,000
senior bond, 5.50%, 5/15/27	United States	500,000	531,250
<sup>b</sup> Wynn Las Vegas LLC/Wynn Las Vegas Capital Corp., senior bond, 144A, 5.50%, 3/01/25	United States	1,300,000	1,345,890
<sup>b</sup> Wynn Macau Ltd., senior note, 144A, 4.875%, 10/01/24	Macau	1,500,000	1,511,310
			14,168,175
<b>Diversified Financials 2.9%</b>			
<sup>b</sup> FirstCash Inc., senior note, 144A, 5.375%, 6/01/24	United States	1,100,000	1,149,500
<sup>b</sup> Five Point Operating Co. LP/Five Point Capital Corp., senior note, 144A, 7.875%, 11/15/25	United States	1,000,000	1,022,500
<sup>b</sup> MSCI Inc., senior note, 144A, 4.75%, 8/01/26	United States	600,000	635,880

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Navient Corp.,

senior note, 6.625%, 7/26/21.	United States	800,000	848,000
senior note, 6.50%, 6/15/22	United States	500,000	525,982
senior note, 7.25%, 9/25/23	United States	1,700,000	1,840,250
			6,022,112

**Energy 8.8%**

Bill Barrett Corp., senior note, 8.75%, 6/15/25	United States	1,700,000	1,793,500
<sup>e</sup> BreitBurn Energy Partners LP/BreitBurn Finance Corp., senior bond, 7.875%, 4/15/22	United States	200,000	12,000
senior note, 8.625%, 10/15/20	United States	600,000	36,000
California Resources Corp., <sup>b</sup> secured note, second lien, 144A, 8.00%, 12/15/22.	United States	615,000	457,406
senior bond, 6.00%, 11/15/24	United States	15,000	9,375
senior note, 5.50%, 9/15/21	United States	10,000	7,400
Calumet Specialty Products Partners LP/Calumet Finance Corp., senior note, 7.75%, 4/15/23	United States	800,000	804,000
<sup>b</sup> senior note, 144A, 11.50%, 1/15/21	United States	300,000	345,000
Cheniere Corpus Christi Holdings LLC, senior secured note, first lien, 7.00%, 6/30/24	United States	600,000	684,000
senior secured note, first lien, 5.875%, 3/31/25	United States	1,000,000	1,087,500

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STATEMENT OF INVESTMENTS (UNAUDITED)

	Country	Principal Amount*	Value
<b>Corporate Bonds</b> (continued)			
<b>Energy</b> (continued)			
<sup>b</sup> Cheniere Energy Partners LP, senior secured note, first lien, 144A, 5.25%, 10/01/25	United States	\$1,200,000	\$ 1,234,500
CONSOL Energy Inc., senior note, 5.875%, 4/15/22.	United States	300,000	308,250
senior note, 8.00%, 4/01/23	United States	600,000	643,500
Crestwood Midstream Partners LP/Crestwood Midstream Finance Corp., senior note, 6.25%, 4/01/23	United States	500,000	520,000
senior note, 5.75%, 4/01/25	United States	800,000	827,000
CSI Compressco LP/CSI Compressco Finance Inc., senior note, 7.25%, 8/15/22	United States	800,000	760,000
Energy Transfer Equity LP, senior note, first lien, 7.50%, 10/15/20	United States	1,200,000	1,339,500
senior secured bond, first lien, 5.875%, 1/15/24.	United States	200,000	215,000
<sup>b,f</sup> EnQuest PLC, senior note, 144A, PIK, 7.00%, 10/15/23	United Kingdom	665,378	464,821
Ferrellgas LP/Ferrellgas Finance Corp., senior note, 6.75%, 6/15/23	United States	700,000	652,750
Martin Midstream Partners LP/Martin Midstream Finance Corp., senior note, 7.25%, 2/15/21.	United States	600,000	613,500
<sup>b</sup> Murray Energy Corp., secured note, second lien, 144A, 11.25%, 4/15/21	United States	1,000,000	562,500
QEP Resources Inc., senior bond, 5.375%, 10/01/22	United States	1,600,000	1,646,000
Sabine Pass Liquefaction LLC, senior secured note, first lien, 6.25%, 3/15/22	United States	200,000	223,660
Sanchez Energy Corp., senior note, 7.75%, 6/15/21	United States	800,000	762,000
senior note, 6.125%, 1/15/23.	United States	100,000	84,875
<sup>b,f</sup> W&T Offshore Inc., secured note, second lien, 144A, PIK, 9.00%, 5/15/20	United States	290,289	262,749
senior secured note, third lien, 144A, PIK, 10.00%, 6/15/21	United States	246,533	187,404
Weatherford International Ltd., senior note, 5.125%, 9/15/20.	United States	200,000	200,000
senior note, 7.75%, 6/15/21	United States	400,000	409,500
senior note, 4.50%, 4/15/22	United States	400,000	362,000
senior note, 8.25%, 6/15/23	United States	600,000	596,625
WPX Energy Inc., senior note, 8.25%, 8/01/23.	United States	400,000	453,500

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			18,565,815
<b>Food, Beverage &amp; Tobacco 3.6%</b>			
B&G Foods Inc., senior note, 5.25%, 4/01/25.	United States	1,200,000	1,229,880
Constellation Brands Inc., senior note, 4.25%, 5/01/23	United States	500,000	531,154
<sup>b</sup> Cott Holdings Inc., senior note, 144A, 5.50%, 4/01/25.	Canada	1,700,000	1,756,100
<sup>b</sup> JBS USA LLC/Finance Inc., senior bond, 144A, 5.875%, 7/15/24	United States	100,000	98,500
<sup>b</sup> Lamb Weston Holdings Inc.,			
senior note, 144A, 4.625%, 11/01/24	United States	700,000	727,125
senior note, 144A, 4.875%, 11/01/26	United States	1,000,000	1,055,000
<sup>b</sup> Post Holdings Inc.,			
senior bond, 144A, 5.00%, 8/15/26	United States	1,100,000	1,093,125
senior bond, 144A, 5.625%, 1/15/28	United States	300,000	302,625
senior note, 144A, 6.00%, 12/15/22	United States	300,000	314,250
senior note, 144A, 5.50%, 3/01/25	United States	400,000	416,500
			7,524,259

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FRANKLIN UNIVERSAL TRUST

STATEMENT OF INVESTMENTS (UNAUDITED)

	Country	Principal Amount*	Value
<b>Corporate Bonds</b> (continued)			
<b>Health Care Equipment &amp; Services 6.2%</b>			
<sup>b</sup> Avantor Inc., senior secured note, first lien, 144A, 6.00%, 10/01/24	United States	\$ 700,000	\$ 703,062
<sup>b</sup> Catalent Pharma Solutions Inc., senior note, 144A, 4.875%, 1/15/26	United States	1,400,000	1,421,000
CHS/Community Health Systems Inc., senior note, 7.125%, 7/15/20.	United States	700,000	549,500
senior note, 6.875%, 2/01/22.	United States	200,000	121,500
senior secured note, first lien, 6.25%, 3/31/23	United States	600,000	564,000
DaVita Inc., senior note, 5.75%, 8/15/22	United States	500,000	515,938
<sup>b</sup> Envision Healthcare Corp., senior note, 144A, 6.25%, 12/01/24	United States	1,500,000	1,588,125
HCA Inc., senior bond, 5.875%, 5/01/23	United States	800,000	854,000
senior bond, 5.875%, 2/15/26	United States	1,400,000	1,492,750
senior secured bond, first lien, 5.875%, 3/15/22.	United States	600,000	651,750
<sup>b</sup> MPH Acquisition Holdings LLC, senior note, 144A, 7.125%, 6/01/24.	United States	1,300,000	1,399,125
<sup>b,f</sup> Polaris Intermediate Corp., senior note, PIK, 144A, 8.50%, 12/01/22	United States	400,000	417,160
Tenet Healthcare Corp., senior note, 5.50%, 3/01/19	United States	400,000	407,000
senior note, 8.125%, 4/01/22.	United States	1,000,000	993,750
WellCare Health Plans Inc., senior note, 5.25%, 4/01/25	United States	1,200,000	1,273,500
			12,952,160
<b>Materials 12.3%</b>			
<sup>b</sup> American Builders & Contractors Supply Co. Inc., senior note, 144A, 5.625%, 4/15/21	United States	342,000	350,550
<sup>f</sup> ARD Finance SA, secured note, PIK, 7.125%, 9/15/23	Luxembourg	400,000	425,500
<sup>b</sup> Ardagh Packaging Finance PLC/Ardagh MP Holdings USA Inc., senior note, 144A, 6.00%, 6/30/21.	Luxembourg	500,000	515,625
<sup>b</sup> Axalta Coating Systems LLC, senior note, 144A, 4.875%, 8/15/24	United States	400,000	420,000
<sup>b</sup> BlueScope Steel Ltd./BlueScope Steel Finance, senior note, 144A, 6.50%, 5/15/21 .	Australia	1,500,000	1,563,255
<sup>b</sup> BWAY Holding Co., senior note, 144A, 7.25%, 4/15/25	United States	1,800,000	1,869,750
The Chemours Co., senior bond, 7.00%, 5/15/25	United States	200,000	219,750
senior note, 6.625%, 5/15/23.	United States	1,100,000	1,168,750

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senior note, 5.375%, 5/15/27.	United States	300,000	313,500
<sup>b</sup> CVR Partners LP/CVR Nitrogen Finance Corp., secured note, second lien, 144A, 9.25%, 6/15/23.	United States	300,000	319,125
<sup>b</sup> Eldorado Gold Corp., senior note, 144A, 6.125%, 12/15/20	Canada	500,000	490,000
<sup>b</sup> First Quantum Minerals Ltd., senior note, 144A, 7.00%, 2/15/21	Zambia	931,000	968,240
senior note, 144A, 7.25%, 4/01/23	Zambia	600,000	634,125
<sup>b</sup> FMG Resources (August 2006) Pty. Ltd., senior note, 144A, 4.75%, 5/15/22	Australia	800,000	815,984
<sup>b</sup> Grinding Media Inc./MC Grinding Media Canada Inc., senior secured note, 144A, 7.375%, 12/15/23	United States	1,000,000	1,077,500
<sup>b</sup> New Gold Inc., senior note, 144A, 6.375%, 5/15/25	Canada	700,000	