

## International Investing: Advantages And Risks

Here's why you might want to invest overseas directly-and why you might *not* want to:

### **Opportunity**

Some overseas countries have enjoyed faster economic growth than the U.S. As a result, you can find many of the world's fastest-growing companies doing business in countries like Chile or China.

### **A strong dollar**

A strong dollar can reduce the value of an overseas fund's portfolio. Other threats are political unrest, poor regulation of foreign markets, and scarcity of information about some overseas companies.

### **Diversification**

When our stock market is lagging, other stock markets may hold up better. The best solution? Consider funds that add to your portfolio's global diversification-but make sure you can accept the potential risks that come with them. As with overseas travel, overseas investing can be exciting. But you'll have a better trip if you're able to sleep comfortably at night.

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