

ADVERTISING FEATURE
MONEY TALKS

Many investment opportunities beyond Canada's borders

If you are like many people, you are looking forward to doing some travelling once you have retired.

Retirement will be your chance to see what you have only been able to read about or visit in your dreams.

Given that so many Canadians hope to travel once they've retired, it is curious that so few have invested outside the country when planning for their retirement.

Most people understand that as the value of the Canadian dollar falls, so, too, does the spending power of Canadians travelling abroad.

The same principle applies to your retirement fund.

If you invest in the United States, at least part of your portfolio will keep pace with the American dollar, making it easier to finance a trip to Florida or Arizona.

The desire to see the world isn't the only good reason to invest abroad.

Every good investment strategy should include an element of international diversification.

Portfolios may vary, depending upon the investor's age, risk tolerance and retirement goals.

However, the principle remains the same: every portfolio needs a mix of different types of investment.

Investments need to be diversified geographically, as well as by industry and security type.

Canadian stock markets represent only three per cent of the world's market capitalization, which means there are many more investment opportunities beyond our borders.

Notably, American and Japanese markets have outperformed Canadian markets during the last decade.

The Canadian government currently allows RRSP investors to invest up to 20 per cent of their portfolio abroad.

While the percentage has changed over the years, the foreign content allowance has remained a long-standing feature of the RRSP program.

Yet fewer than 30 per cent of Canadians who have RRSPs hold any foreign content in their plans.

FOREIGN CONTENT ALLOWANCE HAS REMAINED A LONG-STANDING FEATURE OF THE RRSP PROGRAM. YET FEWER THAN 30 PER CENT OF CANADIANS WHO HAVE RRSPS HOLD ANY FOREIGN CONTENT IN THEIR PLANS.

The foreign property limit is measured by the cost amount or book value of your foreign investments and not their current market value.

Therefore, if your foreign investments outperform your Canadian investments, causing your foreign content to rise about 20 per cent, you will not be penalized.

Should you exceed your foreign property limit, however, your financial advisor can notify you and arrange to have any excess sold and the cash transferred to the Canadian side of your RRSP.

A sound diversification strategy involves investing in markets around the globe.

To do this properly, use the assistance of a financial advisor who can help you identify opportunities by region, industry and investment vehicle. A good financial advisor is knowledgeable about world economies.

For most investors, mutual funds represent the easiest and most effective means of diversifying internationally.

Unlike most foreign bonds and equities, mutual funds are a highly liquid form of investment that reports unit prices daily.

Mutual funds also allow you the opportunity to increase your purchasing power, decrease your costs and hire a professional portfolio manager to oversee the management of your fund.

Mutual fund companies that support a global network of researchers, analysts and managers have a significant competitive advantage.

These companies maintain offices in the regions where they invest, so they have an excellent understanding of their companies, industries and regional economies.

A wide variety of mutual funds are available to Canadian investors: equity funds, fixed-income funds, balanced funds and money market funds, to name just a few.

Many Canadian funds are structured to make them suitable for RRSP investments: foreign content is kept within the defined limits.

And experienced financial advisor can assist you in developing an RRSP program that is tailored to your particular financial profile.

Proper planning, good management and ongoing assessment of your RRSP will ensure that you and your RRSP portfolio are well positioned for a satisfying retirement.

and Bernard Fitzpatrick who are investment professionals with TD Evergreen.

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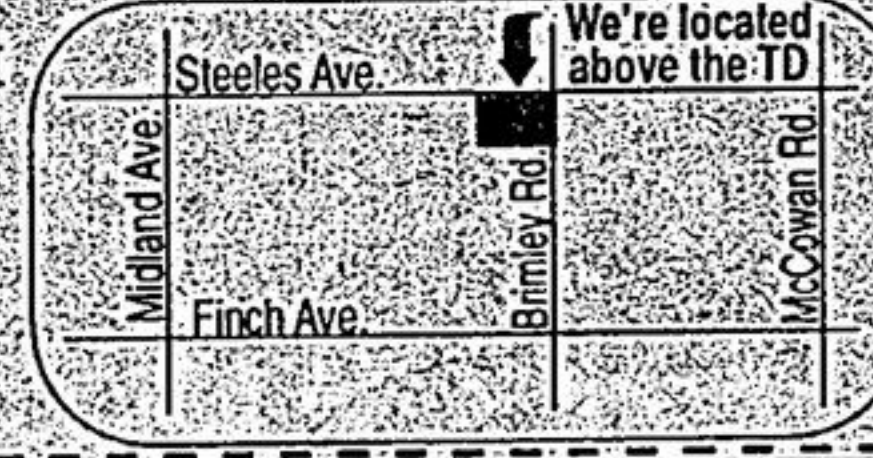
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| PERFORMANCE AS AT NOVEMBER 30, 1998 | | | |
| 1 year | 3 years | 5 years | 10 years |
| 20.4% | 20.1% | 16.8% | 14.6% |

The Fund's managers actively monitor the world's equity markets, focusing on long-term capital growth in a variety of industries.

Your opportunities for success grow further when you consider that Fidelity International Portfolio Fund also lets you take advantage of the federal government's 20% foreign content limit in your RRSP portfolio.

For more information on how Fidelity International Portfolio Fund can help you reach your financial goals, please contact:

Bernard Fitzpatrick
Scott Lawrence
1-800-382-4964

Does your Portfolio Have Good History?



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