

INVESTMENT TRENDS

Global/International Mutual Funds Offer World Of Opportunity

(NAPSA)—A weak dollar, low inflation, attractive prices, strong economic recoveries and improved governance all contributed to making mutual funds with foreign holdings very attractive to many investors in 2004.

As a result, it was a record year for investments flowing into global and international stock funds. International funds hold only foreign securities while global funds can hold both international and U.S. securities.

However, most investors who have positions in these types of funds do not plan to increase their holdings further.

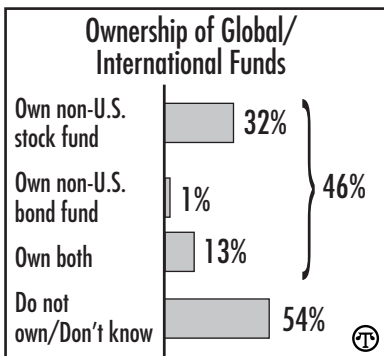
This is just one of the key findings of a survey of mass-affluent investors commissioned by American Express Financial Advisors and conducted by NOP World. The survey queried 601 mass-affluent investors with \$100,000 of investable assets.

The survey found that many investors don't fully understand international investing. Almost two-thirds of those surveyed said they know "not very much" or less about global/international investing.

"Investors appear to be open to the idea of investing overseas, but they are reluctant to act because of a lack of understanding and a lack of guidance," said David Joy, capital markets strategist with American Express Financial Advisors.

Seventy three percent of surveyed investors cited diversification as the primary reason for investing globally/internationally even though the degree of diversification foreign markets offer has declined in recent years.

"The primary motivation to invest internationally should be the opportunity for enhanced returns as well as diversification. Markets around the world offer a wide range of interesting stock opportunities and in many cases the valuations are cheaper," said Sarah Arkle, chief investment officer of Threadneedle Investments, a U.K. asset



According to a recent survey, more than half of the investors queried did not own either global or international funds.

management firm owned by American Express Financial Corp.

The survey also revealed:

- Over half of mass-affluent investors use the services of a professional when investing. Eighteen percent delegate decision making to a professional, while 35 percent use a professional as a source of information.

- In particular, owners of global/international funds are more likely to use the services of an investment professional.

- For a majority of mass-affluent investors—75 percent—saving for retirement is the most important goal.

To learn more about investing, visit <http://finance.americanexpress.com>. American Express Financial Advisors will be renamed Ameriprise Financial on Aug. 1, 2005.

*There are special risk considerations associated with international investing related to market, currency, economic, political and other factors. **You should consider the investment objectives, risks, and charges and expenses of mutual funds carefully before investing. For more complete information, call (800) AXP-Fund, TTY: (800) 846-4852 for a free prospectus. Read the prospectus carefully before you invest.***

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