



ECFH Financially Speaking

East Caribbean Financial Holding Company Limited

This week, we continue to provide you with investment options that can be utilized to maximize your earning potential. Our term for this week's column is: **International Diversification**

International diversification is the attempt to reduce risk by investing one's portfolio in securities (stocks or shares, for example) that are traded in various countries. By diversifying their investment across countries, investors can typically reduce the degree of risk on their returns.

What does this mean for you?

International diversification is a good investment strategy for you as an investor due to the reduced level of risk that it provides. For example, if the stock market of one country in which you have bought shares experiences some difficulty, if you have used **international diversification** as part of your investment strategy, then the impact on your portfolio will not be too detrimental. **International diversification** also allows you as an investor, the advantage of investing in securities that may not be available in your jurisdiction. For example, investors in Saint Lucia can now access bonds issued by the Government of Saint Vincent or even buy shares in companies in Saint Kitts. For more information on **international diversification** and how it can be incorporated into your investment portfolio, call Bank of Saint Lucia's Wealth & Asset Management Division (WAM) at 456-6104 or ECFH Global Investment Solutions at 457-7233.