

Asia the top investment choice for expats: survey

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LONDON (Reuters) - Asia has overtaken continental Europe as the top investment choice for investors living outside their country of origin, according to a survey published on Sunday.

The survey of 350 expatriate investors conducted by online broker Internaxx in March and April showed that 39 percent had exposure to Asia, up from 33 percent a year ago.

Thirty-seven percent of investors have exposure to continental Europe, while 29 percent are exposed to the United States and 26 percent have investments in Britain.

A year ago, continental Europe was the most popular region, followed by the United States, Asia and the UK in the survey by Internaxx, a joint venture between Fortis Banque Luxembourg and brokerage company TD Waterhouse.

"The reasons for non-exposure to Asia -- lack of knowledge, concerns about corporate governance, market volatility and uncertainty over economic prospects -- have reduced," Internaxx Managing Director Robert Glaesener said.

MSCI's measure of Asia Pacific stocks excluding Japan (.MSCIAPJ: [Quote](#), [Profile](#), [Research](#)) rose 29.0 percent last year and has added a further 11.2 percent since the start of this year.

In comparison, the MSCI World (.MSCIWO: [Quote](#), [Profile](#), [Research](#)) index returned 18.0 percent last year and has risen 8.0 percent since the start of this year.

Among emerging markets, 42 percent of investors in the survey said they viewed China most positively, while 32 percent picked India.

Only six percent of international investors opted for Russia, due to concerns about a lack of transparency, the political climate and unstable governance. Five percent chose Brazil, where investors are worried about nationalization and a risky political situation, the survey said.

The survey also showed that 90 percent of investors believe markets will rise or stabilize in 2007, up from 80 percent a year ago.

"Expatriate investors are very much like international investors," said Glaesener. "They have quite a progressive view of what to invest in."