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## YOUR MONEY

# Feeling The Urge To Flee The Dollar

By JANE BIRNBAUM

Interest rates on savings accounts are falling. The dollar is weak. And the stock market is up one day and down the next. It is no wonder that even normally timid investors are hearing the siren song of foreign currencies.

The question is whether they should heed it.

While experts have different opinions about investing in foreign currencies, they all agree that such investments are not for the faint of heart. . .

Still, some experts think there is a place for foreign currencies in an average investor's portfolio. Adrian Day, chief executive of Adrian Day Asset Management in Annapolis, Md., argued that investing in foreign currency can be part of a broader strategy to defend against what he views as a fundamentally weak dollar. Investors can purchase select foreign stocks and bonds, he said. They can buy stock in American companies with strong global sales. And they can hold some foreign currency.

"It should be seen not as a short-term investment that will make you rich, but as long-term insurance to hedge a weak dollar," Mr. Day said.

The best time to buy foreign currency is when traders and investors are buying the dollar, in so-called dollar rallies, which may last up to six weeks, he added. That is when investors get the most foreign currency for their dollar.

"Novice buyers must consider what they are doing and their time frame," Mr. Day said. "The danger is you freak out and sell after your first decline. You need to know why you are buying, then hold your position." . . .