FACT check

Compiled by Joel Kranc

FOREIGN LIMITATIONS

With the elimination of the Foreign Property Rule in the federal budget, Canadians have joined the ranks of countries that can invest their pension money freely in the world market. But some countries do impose restrictions and keep their investments at home:

AUSTRIA

Non-Euro investments and foreign property limited to **50%** of investments.

BELGIUM

All assets must be located in Belgium or EU countries, but may be invested in securities issued by institutions authorized by the Belgian Banking and Financial Commission.

DENMARK

Foreign content is limited to **20%** of investments.

GERMANY

30% in EU equity, **25%** in EU property, **6%** in non-EU equity, **5%** in non-EU bonds.

ICELAND

Only OECD (Organization of Economic Co-operation and Development) securities up to a maximum of **50%**. Foreign investment prohibited for nurses', farmers', and seamen's investment funds.

KOREA

Limited to **10%** of assets.

LUXEMBOURG

10% limit on securities issued by non-resident firms.

MEXICO

Law does not permit investment in foreign securities. Pension funds can invest up to **10%** of their assets in foreign currency denominated securities.

POLAND

Only **5%** of employee pension funds or open pension funds (which are mandatory) can be invested outside of the country.

PORTUGAL

Overall limit of **20%**. Sublimits: **10%** in non-OECD bonds, **3%** in non-OECD stocks.

SWITZERLAND

There is an overall limit in foreign currency investments of **30%** and a **30%** limit in equities and **20%** limit in foreign currency bonds.

Source: Organization of Economic Co-operation and Development.