

Global High Yield Euro

Investment Objective

Seeks a high total return through investments in high yield debt securities of issuers from around the world, including emerging markets.

Investment Process

Highly disciplined "top-down" and "bottom-up" approach by giving equal weight to both macro-economic factors and credit analysis of individual securities. Risk control procedures minimize volatility.

Features & Benefits

- Unusual, low correlation combination of emerging market and corporate high yield bonds
- Reduced risk through broad industry and country diversification
- Proprietary credit and macroeconomic research

Manager's Review

The Federal Reserve kept the key interest rate at 5.25% during the month and its statement omitted a previous reference to "additional firming" in favor of more general future policy adjustments, providing it with scope to raise or decrease rates depending on the evolution of the macroeconomic environment.

Manager's Outlook

Going forward, although the manager expects some further periods of volatility, they believe that high yield spreads will remain range bound. Although sub-prime concerns have, in their view, heightened the probability of a US slowdown, they are not expecting a US recession. Furthermore, European and Asian growth is modest to good and corporate profitability is healthy. Consequently, they believe the outlook for high yield is still favorable.

Performance¹

Cumulative	1 Month	3 Months	6 Months	YTD	1 Year	Inception	Annualized	3 Years	5 Years	10 Years	Inception
Fund	0.23%	1.98%	4.74%	1.98%	6.34%	75.47%	Fund	5.60%	8.78%	—	8.86%
Peer ⁴	0.08%	1.52%	3.92%	1.52%	4.97%	34.30%	Peer ⁴	5.64%	6.36%	—	4.42%
Benchmark ⁵	0.16%	1.29%	4.84%	1.29%	8.60%	44.72%	Benchmark ⁵	9.79%	12.16%	—	5.74%

Calendar Year Performance

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Fund	5.82%	3.79%	7.31%	22.01%	6.78%	10.45%	—	—	—	—
Peer	4.96%	4.52%	8.62%	13.26%	-1.68%	-5.88%	—	—	—	—
Benchmark ⁵	10.78%	7.19%	14.19%	28.94%	0.13%	-16.41%	—	—	—	—

General Information

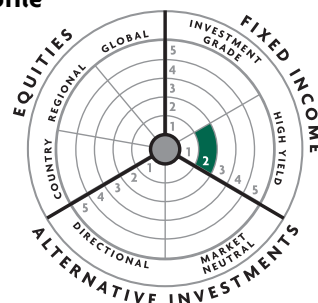
Inception Date	08/14/00
Investment Sub-Advisor	Standard Americas, Inc.
Bloomberg Code	AEGHYEW
ISIN Code	LU0112521504
Investment Time Horizon	Long Term
Base Currency	Euro
Annualized Expense Ratio	1.64%
Benchmark ⁵	Blend of ML EMD Sovereigns Index and High Yield Euro Index
Fund Size (in millions)	€ 640.41
Month-End NAV	€ 26.32
Minimum Investment	€ 50,000; € 10,000 Per Portfolio
Quartile Ranking (1 year)	2
Quartile Ranking (s.i.)	1

Statistics

	Fund	Peer	Benchmark
Standard Deviation	3.01%	2.90%	3.54%
Sharpe Ratio ⁷	1.07	1.10	2.28
Average Yield to Maturity	7.33%		
Average Duration (in years)	3.20		
Average Rating	B		

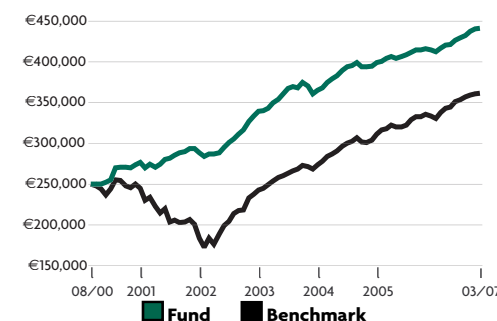
Investment Profile⁹

Risk Level
Low = 1
High = 5



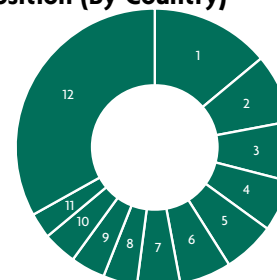
Life of Investment

A €250,000 investment in the Global High Yield Euro Fund at inception would have grown to €441,019 as of 3/30/2007.

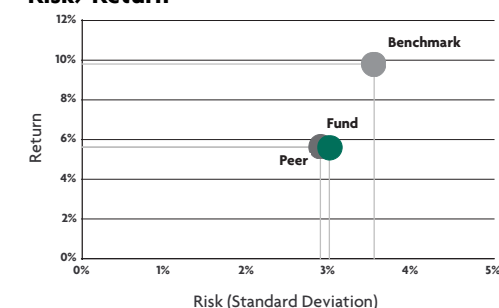


Portfolio Composition (By Country)

1. United States (14%)
2. Russia (7%)
3. The Netherlands (6%)
4. Germany (6%)
5. Italy (6%)
6. Great Britain (6%)
7. Kazakhstan (5%)
8. Cash (4%)
9. France (4%)
10. Argentina (4%)
11. Turkey (3%)
12. Other (35%)



Risk/Return⁷



Portfolio Composition

By Sector

Bank & Financials	22.89%
Chemicals	7.12%
Telecom/Wireless	7.06%
Containers/Packing	6.02%
Industrial	5.78%
Cable	5.14%
Publishing	4.87%

General Allocation

Corporate High Yield	60.03%
Emerging Corporate	16.36%
Bank	13.84%
Sovereign Emerging Markets	4.60%
Cash & Equivalents	4.46%
Agency	0.70%

1, 4, 5, 7, 9 Please read the American Express Funds - Worldfolio disclosure pages for further information. This sheet must be accompanied by all American Express Funds - Worldfolio disclosure pages. Unless specifically noted in the accompanying disclosure page(s), the source of all information is American Express Bank.

Past performance is not an indication of future performance.

American Express Funds - Worldfolio

Additional Information on the American Express Funds Worldfolio (Page 1 of 3)

American Express Funds (the “SICAV”) is an investment company with variable capital (“société d’investissement à capital variable”) formed under the laws of the Grand Duchy of Luxembourg.

American Express Funds are offered by American Express Bank Ltd. and its subsidiaries and advised by its affiliates and selected sub-advisors. Subscriptions are accepted on the basis of the Prospectus or Offering Memorandum as advised and, where legally required, the latest Annual and/or Semi-Annual reports which you can obtain through your Relationship Manager, or by writing to the SICAV’s registered office at 69, route d’Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg. It may be difficult for you to realize your investment and to obtain reliable independent information about the value of your shares or the extent of the risks to which your investment is exposed.

The SICAV offers investors the opportunity to invest in separate portfolios (or sub-funds, each (for the purposes of this the Review only) an individual “fund”), each with a different objective and each a separate pool of assets. While the SICAV as a whole is one legal entity, each individual fund shall be exclusively responsible for all liabilities attributable to it.

① Performance is calculated for the latest month due to the availability of data and timing of the publication of The Review. Calendar year performance is cumulative, not annualized. All returns are stated in US dollar terms, except for **Euro Liquidity, European Bonds, Global Bonds (Euro), Global High Yield Euro, European Equities and European Mid & Small Cap Equities funds** and are net of fees and expenses (except for sales load). On August 15, 2005, Walter Scott & Partners Limited took over as sub-advisor of the US Large Cap Equities and European Equities funds, replacing RiverSource Investments, LLC (“RSI”) (formerly American Express Asset Management Group, Inc.); performance of these funds prior to this date is reflective of the management of RSI. On November 30, 2006, the US Large Cap Equities fund name was changed to the US Equities fund. On August 15, 2005,

Munder Capital Management took over as sub-advisor of the US Mid & Small Cap Equities fund, replacing RSI; performance of this fund prior to this date is reflective of the management of RSI. On August 15, 2005, Navellier & Associates Inc. took over as sub-advisor of the Focused US Growth Equities fund, replacing RSI; performance of this fund prior to this date is reflective of the management of RSI. On October 31, 2005, Mondrian Investment Partners Limited took over as sub-advisor of the Global Emerging Market Equities, New Asia-Pacific, Japanese Equities and Greater China Equities funds, replacing Threadneedle Asset Management Limited (“Threadneedle”); performance of these funds prior to this date is reflective of the management of Threadneedle. On January 31, 2006, Drake Management LLC took over as sub-advisor of the Convertible Bonds fund, replacing RiverSource Investments LLC; performance of this fund prior to January 31, 2006 is reflective of the management of RiverSource Investments LLC. Share prices may go down as well as up and past performance is not an indication of future results. All performance stated for the funds does not reflect the effects of the sales load. **As investment involves risk, as a potential investor, you should read the Prospectus or Offering Memorandum before investing your money. If a fund is denominated in a currency other than that from which your funds originate, changes in rates of exchange may have an adverse effect on the value of your investment.**

④ **Peer returns are based on the average return of a comparable peer fund group that invests in the same asset classes and markets as determined by AEB’s Global Investment Group.** Benchmark returns and related information provided by Bloomberg, Standard & Poor’s Limited, Ameriprise Financial Services, Inc., Ibbotson Associates and Datastream. Benchmark returns do not reflect transaction charges and management fees.

⑤ **Benchmark and Inception Information for American Express Funds – Worldfolio**

The benchmark for the **US\$ Liquidity fund** (Inception Date: 03/31/93), formerly known as the American Express Worldfolio Funds-US\$ Daily Income Fund, is the Three-Month Interbank Eurodollar Deposit Index. This deposit index consists of Eurodollar deposits with three-month maturities and is represented in US dollars. The benchmark for the **Euro Liquidity fund** (Inception Date: 03/31/93), formerly known as the American Express Worldfolio Funds-DM Daily Income Fund, is the Citigroup Euro 3-month Euro Deposit Index. This benchmark consists of Eurodollar deposits with three-month maturities and is represented in euros. The benchmark for the **Global Emerging Market Liquidity fund** (Inception Date: 04/02/02) is the US\$ 1-Month LIBOR. As of March 1, 2007, the benchmark for this Fund was changed from the Fed Funds Rate to the US\$ 1-Month LIBOR. The benchmark for the **US Short-Term Bonds fund** (Inception Date: 03/31/93), formerly known as the American Express Worldfolio Funds-US\$ Bond Income Fund, is the Merrill Lynch 1-5 year Government Bond Index. This index includes US Treasury and agency securities with at least \$100 million par amount outstanding; all bonds have maturities between one and five years. The benchmark for the **US\$ Bonds fund** (Inception Date: 04/06/99) is the Lehman Government Credit Index. This benchmark consists of both corporate debt (publicly issued, fixed rate, investment grade, dollar-denominated corporate debt) and US Treasury and government issues. The benchmark for the **US\$ High Income Bonds fund** (Inception Date: 08/31/04) is the Merrill Lynch US High Yield Cash Pay BB-B Index. This index consists of publicly placed, non-convertible coupon-bearing US domestic debt with a term to maturity of at least one year and a minimum credit rating of BB-B. The benchmark for the **European Bonds fund** is the Citigroup EuroBig Index (Euro). The inception date was 04/06/99. This is a market cap weighted benchmark that tracks the performance of fixed rate issues in the government debt,

supranational, finance, “pfandbrief” (a type of mortgage-backed bond market in Germany), industrial and utility sectors that are denominated in Euros with at least one year maturity. The benchmark for the **Global Bonds - US\$ Referenced fund** (Inception Date: 04/30/86), formerly known as the American Express Worldfolio Funds-Global Bonds, is the Citigroup World Government Bond Index (US\$) - US Dollar. This index is in US dollars and tracks the performance of fixed-rate sovereign debt issued in the domestic markets of 18 countries in local currency. The benchmark for the **Global Bonds – Euro Referenced fund** (Inception Date: 04/6/99), formerly known as the American Express Worldfolio Funds-Global Bonds, is the Citigroup World Government Bond Index (Euro) – Euro. This index is a market capitalization-weighted benchmark that tracks the performance of fixed-rate sovereign debt issued in the domestic market in the local currency with at least one-year maturity. The benchmark for the **Global Inflation Linked Bonds fund** (Inception Date: 08/31/04) is the Barclay’s Global Inflation Linked Bond Index (Hedged into Dollar). This index includes inflation-linked government debt issued by Australia, Canada, France, Sweden, UK and the US. The foreign debt rating of the country of issue must be AA-/Aa3 or better. The benchmark for the **Global Emerging Market Short-Term Bonds fund** (Inception Date: 08/31/04) is the JP Morgan Emerging Markets Bond Global Index (1-3 year). This index tracks total returns for traded external debt instruments in the emerging markets with durations of up to 3 years. The instruments include external-currency-denominated Brady bonds, loans and Eurobonds, as well as U.S. dollar local markets instruments. The EMBIG is concentrated in instruments from the three major Latin American countries (Argentina, Brazil and Mexico), reflecting the size and liquidity of these external debt markets. The non-Latin countries are represented in the index by Bulgaria, Morocco, Nigeria, the Philippines, Poland, Russia, and South Africa. The benchmark for the **Emerging Market Debt fund** (Inception Date: 09/30/94), formerly known as the American Express

American Express Funds - Worldfolio

Additional Information on the American Express Funds Worldfolio (Page 2 of 3)

Worldfolio Funds- Emerging Market Debt Fund, is the JP Morgan Emerging Markets Index. This index tracks total returns for traded debt instruments in the emerging markets, including US dollar and other currency-denominated Brady Bonds, loans, Eurobonds and local market instruments. The benchmark for the **Global High Yield Euro fund** is the ML EMD Sovereigns Index/High Yield Euro Index and the inception date was 08/14/00. This index is a market cap weighted blend of the Merrill Lynch Emerging Market Sovereigns and High Yield Euro Index. The benchmark for the **Convertible Bonds fund** (Inception Date: 11/28/03) is the Merrill Lynch Convertibles Investment Grade Bonds Only Index. As of January 1, 2007, the benchmark for this Fund was changed from the Goldman Sachs Convertible Bond Fund Index to the Merrill Lynch Convertibles Investment Grad Bonds Only Index. The Merrill Lynch Convertibles Investment Grade Bonds Only Index represents a broad spectrum of issues in the convertible bonds market, with a skew toward large-cap issues. The average quality of the Index is A- with a spectrum of securities ranging from AAA to BBB. On September 30, 2005 the European Balanced Fund was merged into the **Global Balanced fund** ("Global Balanced"). Threadneedle Asset Management Limited continues to manage the equity portion of Global Balanced, and RiverSource Investments, LLC was appointed to manage the fixed income portion of Global Balanced. The benchmark for the **Global Balanced fund** (Inception Date: 04/30/86) remains 40% Citigroup World Government Bond Index and 60% MSCI World Equities Index. See the Global Bonds-US\$ fund and World Equities fund, respectively, for benchmark definitions. The benchmark for the **World Equities fund** (Inception Date: 03/31/93), formerly known as American Express Worldfolio Funds-Global Equities, is the MSCI World Equities Index. This benchmark consists of 23 developed markets and includes large-, medium- and small-cap companies in each market. The benchmark for the **Global Emerging Market Equities fund** (Inception Date: 08/31/04) is the MSCI Emerging

Markets Index. This is a free float-adjusted market capitalization index that is designed to measure emerging market equity performance. This benchmark consists of indices representing 26 emerging market countries. The benchmark for the **Global Innovation fund** (Inception Date: 07/28/00) is the FTSE World Index - information technology, pharmaceuticals, telecom and media. This index is a market capitalization-weighted average composed of these four sectors. The complete index consists of common stocks covering between 82% and 90% of the investable market capitalization in each of 30 developed and advanced emerging market countries. The benchmark for the **Global Energy Equities fund** (Inception Date: 05/06/02) is the MSCI World Energy Index, a market capitalization index that monitors the performance of energy stocks from around the world. The benchmark for the **US Equities fund** (Inception Date: 05/31/93) is the S&P 500. As of September 1, 2005 the benchmark for this Fund was changed from the Russell 1000 Value Index to the S&P 500. Standard and Poor's 500 Index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. Returns include dividends reinvested. We will maintain the benchmark history as measured through end of August 2005 and change to the new benchmark only for performance going forward from September 1, 2005. Between the periods of October 31, 2001 and August 31, 2005 this fund was run against the Russell 1000 Value. Prior to October 31, 2001, the benchmark for this Fund was S&P 500. The benchmark for the **Focused US Growth Equities fund** (Inception Date: 07/28/00) is the Russell 1000 Index, an unmanaged index considered indicative of the growth-oriented domestic stock market in general and is comprised of stocks in the Russell 1000 that have higher price-to-book ratios and higher forecasted growth values. As of September 1, 2005 the benchmark for this fund was changed from the S&P 500 Stock Market to the Russell 1000. We will

maintain the benchmark history as measured through end of August 2005 and change to the new benchmark only for performance going forward from September 1, 2005. The benchmark for the **US Mid & Small Cap Equities fund** (Inception Date: 05/31/93), formerly known as American Express Worldfolio Funds-US Aggressive Equities, is the Russell 2500 Index, an Index which excludes the largest 500 companies in the Russell 3000 Index, and is constructed to provide a comprehensive and unbiased barometer for the small to mid-cap segment of the US equity universe. As of September 1, 2005 the benchmark for this fund was changed from the Russell 2000 Growth to the Russell 2500. We will maintain the benchmark history as measured through end of August 2005 and change to the new benchmark only for performance going forward from September 1, 2005. The benchmark for the **European Equities fund** (Inception Date: 03/31/93), formerly known as American Express Worldfolio Funds-European Equities, is the Morgan Stanley Capital International Europe Index (converted to Euros per ECU). This index consists of 15 developed markets in Europe and is a representative sampling of large-, medium- and small cap companies in each market. Information obtained from Standard & Poor's Limited. The benchmark for the **European Mid & Small Cap Equities fund** (Inception Date: 04/02/02) is the DJ Euro Stoxx TMI Mid Index. The DJ Euro Stoxx TMI Mid Index covers 20% of the free float market falling between the 70th and 90th percentile of the investable European universe, broken down into ten economic sectors (basic materials, consumer cyclical, consumer non-cyclical, energy, financial, healthcare, industrial, technology, telecommunications and utilities). The index is calculated using the Laspeyres formula, measuring price changes against a fixed base quantity weight. The benchmark for the **Japanese Equities fund** (Inception Date: 04/06/99) is the MSCI Japan Index. This index consists of a representative sampling of large-, medium- and small-cap companies in Japan and aims to replicate the industry composition of Japan. The benchmark for the **New**

Asia-Pacific Equities fund (Inception Date: 04/06/99) is the MSCI AC Pacific (Free) Ex Japan Index. This index aims to replicate the industry composition of 11 Pacific Rim countries and consists of a representative sampling of large-, medium- and small-cap companies. The benchmark for the **Greater China Equities fund** (Inception Date: 08/31/04) is the MSCI Golden Dragon Index. This index is a free float-adjusted market capitalization index that is designed to measure international equity market performance. The benchmark consists of three developed and emerging market country indices representing China, Hong Kong and Taiwan.

7 Standard Deviation measures the volatility of a fund's returns where higher percentages indicate greater fluctuations in performance and greater fund volatility; lower percentages indicate less fluctuation in the fund's returns. For all funds, the deviation percentage is annualized and based on three years' monthly data with the exception of Global Emerging Market Liquidity, Global High Yield Euro, Global Innovation, Global Energy Equities, Focused US Growth Equities, European Mid & Small Cap Equities, Japanese Equities and New Asia-Pacific Equities funds where the deviation percentage is annualized and based on monthly data since inception. Risk return chart results based on 3 year annualized rolling returns as available. For performance history of less than 3 years, since inception annualized returns will be used. For performance history of less than 1 year, cumulative since inception returns will be applied. The Sharpe Ratio measures risk-adjusted performance. It is a ratio calculated by subtracting the risk free rate from the rate of return for a fund and dividing the result by the standard deviation of the fund returns. This material is for informational purposes only and does not constitute an offer to sell or solicitation to buy. This material cannot be offered or distributed to any person in the U.S. or to U.S. citizens or residents.

8 Important Information for the Euro Liquidity fund and European Equities fund.

For the **Euro Liquidity fund**, the Fund's performance prior to 04/06/99 reflects a conversion from a Deutsche Mark base currency to the ECU, using a fluctuating month-end ECU rate. After 04/06/99, the performance reflects the fact that the fund's base currency is the Euro. For the **European Equities fund**, the fund's performance prior to 04/06/99 reflects a conversion from a US Dollar base currency to the ECU, using a fluctuating month-end ECU rate. After 04/06/99, the performance reflects the fact that the fund's base currency is the Euro. Performance shown here is based on a Euro to US Dollar currency conversion for the fund, Benchmark and Peer using a fluctuating month-end Euro/Dollar rate.

9 The investment profile is a graphical representation of a product's asset class, sub-asset orientation and risk profile. The concentric circles represent risk levels increasing from "1", the lowest risk, to "5" in the outer circle, the highest risk. The risk level is represented by the product's standard deviation for the prior 3-year rolling period. When three years of data is not available, since inception annualized standard deviation is used. For funds with less than 1 year of performance history, as historical standard deviation data points are few, the Investment Profile reflects the funds' expected long-term volatility levels based on manager style and asset class history. Current risk levels are not indicative of future risk levels, and the investment profile should not be used as a stand-alone measure of product risk or diversification.

IMPORTANT INFORMATION FOR UK INVESTORS

American Express Funds (the "SICAV") is an open-ended investment company formed under the laws of the Grand Duchy of Luxembourg. The SICAV is managed by American Express Bank Asset Management Company (Luxembourg), 74, rue Mühlenweg, L-2155 Luxembourg. The SICAV issues,

redeems and exchanges its shares of different classes, which are listed on the Luxembourg Stock Exchange. The SICAV is a recognized scheme in the UK under Section 264 of the Financial Services and Markets Act 2000 (the "Act"). The SICAV is an offshore fund and investors in the SICAV are not protected by the UK Financial Services Compensation Scheme or by the rules made under the Act for the protection of investors.

The SICAV may not be suitable for all recipients of this communication. If you have any doubts concerning its suitability for you, you should seek advice from an independent financial advisor.

Subscriptions are accepted on the basis of the Prospectus and the latest available annual and semi-annual reports. It may be difficult for you to realize your investment and to obtain reliable independent information about the value of your shares or the extent of the risks to which your investment is exposed.

Charges and expenses are not made uniformly throughout the life of the investment, but are loaded disproportionately onto the early years. If you withdraw from the SICAV in early years, you may not get back the amount invested.

The value of the SICAV's underlying assets will fluctuate, and as a consequence the Net Asset Value of the units in the SICAV could fall against your interests and you may get back less than you invested. Volatile sub-funds may be subject to sudden and large falls in value that could equal the sum invested in them.

Past performance is not an indication of future performance.

If a sub-fund is denominated in a currency other than that from which your funds originate, changes in rates of exchange may have an adverse effect on the value of your investment.

American Express Bank Ltd. and/or its associates have or may have a position or holding in one or more

of the portfolios or the securities in which one or more of the funds invests, and are or may be or have or may have been providing within the previous twelve months significant services to the SICAV.

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