



Investment Outlook & Recommended Portfolio

Quarter 1/2025

Previous Quarter Performance

In the past quarter, the performance of the recommended investment portfolios was mixed. Portfolios with low-to-medium target returns delivered positive results, primarily driven by investments in local fixed-income funds, Thai equity funds, and developed market equity funds. While investment portfolios with moderate-to-high target returns experienced slightly negative returns, despite positive factors from funds in Thai equities, developed market equities, and alternative assets, these gains were however offset by a more significant decline in emerging market equities funds. Nevertheless, year-to-date returns for the recommended portfolios remained close to their target levels.



Investment Outlook in Q1/25

The investment team is in view that the ongoing downward trend in U.S. interest rates will benefit to investments in foreign fixed-income funds, which present opportunities to generate returns from both higher yields and potential price increases in cases where interest rates decline.

Furthermore, the shifts in interest rate directions contribute to stock market growth. The team maintains a positive outlook on U.S. equities, which are anticipated to benefit from President-elect Donald Trump's policies, e.g. tax cuts and the easing of business regulations. Additionally, emerging market equities, e.g. Indian equities, exhibit strong growth potential driven by a growing middle class and a large population base. For portfolios with a higher risk tolerance, the team recommends a slight increase in allocations to equities in the technology sector and sectors related to climate change.

Despite having positive outlook on risky assets, the recent rise in asset prices prompts the team to advise a slight reduction in the overall weight of risky assets, and reallocation to foreign fixed-income funds, which continue to offer an attractive risk-return profile. The team also recommends diversifying investments across various asset classes to effectively manage portfolio risks.



Investors should understand fund features, return conditions, and risks before making investment decision. Past performance is no guarantee of future results.

Example of recommended investment portfolio according to expected returns

Asset Types	Funds	Expected Returns							
		3%	4%	5%	6%	7%	8%	9%	10%
Domestic Fixed Income	KFSMART-A	30%	7%						
	KFMTFI-A	28%							
	KFAFIX-A	27%	65%	57%	40%	23%	5%		
Foreign Fixed Income	KFTRB-A	2%	6%	12%	14%	16%	20%	23%	10%
	KF-CSINCOM	3%	4%	1%	6%	9%	12%		
Domestic Equity	KFENS50-A	1%	4%	4%	4%	5%	6%	7%	7%
	KFS100-A	1%		2%	4%	5%	6%	7%	7%
Foreign Equity – Developed Markets	KFJPINDEX-A	1%	1%	2%	2%	3%	3%	4%	3%
	KFUSINDEX-A	1%	3%	6%	7%	9%	11%	15%	19%
Foreign Equity – Emerging Markets	KFACHINA-A	3%	4%	5%	8%	9%	11%	14%	18%
	KFINDIA-A	1%	3%	5%	7%	10%	12%	15%	18%
	KFVIET-A	1%	2%	3%	4%	6%	7%	8%	9%
Thematic Equity	KFHTECH-A								1%
	KFCLIMA-A								2%
Alternative Asset	KF-HGOLD	1%	1%	3%	4%	5%	7%	7%	6%

Change in investment proportion compared to the previous quarter

● Increase in Weight ● Decrease in Weight

Asset Types	Funds	Expected Returns							
		3%	4%	5%	6%	7%	8%	9%	10%
Domestic Fixed Income	KFSMART-A	-64%	-74%	-42%	-33%	-25%	-17%	-10%	-2%
	KFMTFI-A	28%							
	KFAFIX-A	27%	65%	31%	18%	6%	-7%	-7%	-1%
Foreign Fixed Income	KFTRB-A	2%	6%	12%	14%	16%	20%	23%	10%
	KF-CSINCOM	3%	4%	1%	6%	9%	12%		
Domestic Equity	KFENS50-A	-1%		2%	1%	1%			-1%
	KFS100-A	1%		-1%	-1%	-1%			-1%
Foreign Equity – Developed Markets	KFJPINDEX-A	1%		1%		1%		1%	-1%
	KFUSINDEX-A		-1%	-1%	-2%	-3%	-4%	-2%	-1%
Foreign Equity – Emerging Markets	KFACHINA-A	2%		-3%	-1%	-3%	-3%	-2%	-1%
	KFINDIA-A	1%			-1%		-1%		
	KFVIET-A		1%					-1%	-1%
Thematic Equity	KFHTECH-A								1%
	KFCLIMA-A								2%
Alternative Asset	KF-HGOLD		-1%		-1%	-1%		-2%	-4%

Source: Krungsri Asset Management as of 18 December 2024 based on historical performance data of funds in investment universe since the inception date until 11 December 2024. The above calculation is based on investment portfolio with various hypotheses, which does not guarantee actual returns in the future.

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Fund Details

Funds	Risk	Investment Policies
Domestic Fixed Income Funds		
KFSMART-A	4	The Fund invests onshore and/or offshore in fixed-income instruments and/or deposits or deposits equivalent issued, certified, avalized, or repayment-guaranteed by the government, a state enterprise, a financial institution, and/or private entity, where such instruments are designated as investment grade in either the issue rating category or the issuer rating category.
KFMTFI	4	The Fund invests at least 50% of its NAV in public fixed-income securities. The remaining portion is allocated to bank deposits or fixed-income securities issued by commercial banks, state enterprises, or private companies. These issuers must have a medium- to long-term credit rating of at least A-, or a short-term credit rating of F2, T2, or higher.
KFAFIX-A	4	The Fund invests onshore and/or offshore in fixed-income instruments and/or deposits or deposits equivalent issued, certified, avalized, or repayment-guaranteed by the government, a state enterprise, a financial institution, and/or private entity, where such instruments are designated as investment grade in either the issue rating category or the issuer rating category. It may invest in either debt instruments with non-investment grade or non-rated bonds.
Foreign Fixed Income Funds		
KFTRB-A	4	The Fund invests at least 80% of its NAV in foreign mutual fund, PIMCO Total Return Bond Fund (Class E Acc) (Master Fund).
KF-CSINCOM	5	The Fund invests at least 80% of its NAV in foreign mutual fund, PIMCO GIS Income Fund (Class I Acc) (Master Fund).
Domestic Equity Funds		
KFENS50-A	6	The Fund invests at least 80% of its NAV in equity instruments of listed companies under the SET50 index.
KFS100-A	6	The Fund invests at least 80% of its NAV in equities of domestic listed stocks under the SET100, so that the fund will have a return close to the SET100 Total Return Index (SET100 TRI).
Foreign Equity Funds		
KFJPINDEX-A	6	The Fund invests at least 80% of its NAV in foreign mutual fund, NEXT FUNDS Nikkei 225 Exchange Traded Fund (Master Fund).
KFUSINDEX-A	6	The Fund invests at least 80% of its NAV in foreign mutual fund, iShares Core S&P 500 ETF (Master Fund).
KFACHINA-A	6	The Fund invests at least 80% of its NAV in foreign mutual fund, UBS (Lux) Investment SICAV – China A Opportunity (USD) (Class P – acc) (Master Fund).
KFINDIA-A	6	The Fund invests at least 80% of its NAV in foreign mutual fund, FSSA Indian Subcontinent Fund (Class III USD) (Master Fund).
KFVIET-A	6	Fund invests at least 80% of its NAV in foreign equity mutual fund and/or foreign ETF which invest in securities listed in Vietnam and/or main businesses or benefits from business operations in Vietnam.
KFHTECH-A	7	The Fund invests at least 80% of its NAV in foreign mutual fund, BGF World Technology Fund (Class D2 USD) (Master Fund).
KFCLIMA-A	6	The Fund invests at least 80% of its NAV in foreign mutual fund, DWS Invest ESG Climate Tech, Class USD TFC (Master Fund).
Commodity/Alternative Asset Funds		
KF-HGOLD	8	The Fund invests at least 80% of its NAV in foreign mutual fund, SPDR Gold Trust (Master Fund).

- (1) KFACHINA-A, KFINDIA-A, KFVIET-A, and KFCLIMA-A offer risk protection from foreign exchange risks at fund managers' discretion.
- (2) KFSMART-A, KFMTFI-A, KFAFIX-A, KFTRB-A, KF-CSINCOM, KFJPINDEX-A, KFUSINDEX-A, and KFHTECH-A KF-HGOLD offer full foreign exchange risk protection.

Disclaimers: Investors should carefully review the fund's features, return conditions, and associated risks before making investment decisions. Past performance of mutual funds is not a guarantee of future results. © For KF-HGOLD, investors should seek additional advice prior to making any investment. © KFHTECH Fund focuses its investments in industrial sectors, there is a possibility of significant investment losses. Investors are strongly encouraged to seek advice before making investment decisions. © Funds with currency hedging at the fund manager's discretion may still be exposed to exchange rate risks. As a result, investors may experience losses or gains due to exchange rate fluctuations, and returns may be lower than the initial investment principal. © Funds that adopt a full foreign exchange risk protection policy may experience reduced returns on investment due to the additional hedging costs. © Funds may invest in non-investment grade or unrated bond. Investors may therefore face a higher default risk, credit risk and liquidity risk than mutual funds for general investors. © This document is created to disseminate information compiled from credible sources as of the display date. However, Krungsri Asset Management cannot guarantee the accuracy, credibility and completion of all information. The Company reserves the right to change the information without prior notice. © For information inquiry or request for prospectus, please contact Krungsri Asset Management at tel. 0 2657 5757.

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