



Investment Outlook & Recommended Portfolio

Quarter 3/2023

Previous Quarter Performance

The past quarter showed that the overall return on the recommended portfolio has benefited from reducing the weight of investments in Thai equity in order to reallocate investments to US equity, Indian equity, as well as shifting investments from medium to long-term fixed income funds to short-term fixed income funds for investors with low-risk appetite to reduce the volatility of the investment portfolio.



Overall, the performance of all portfolios was able to generate positive returns over the past quarter amid global stock market volatility as well as pressure from the Chinese stock market that decline at the end of the quarter due to the profit-taking sell-off following the strong market recovery in the previous period, and market concerns over the sustainability of economic growth.

Investment Outlook in 3Q23

Fund managers maintain a positive outlook on investing in fixed income, especially for investors with low-risk appetite that the domestic fixed income market continues to generate good returns following the MPC's gradual policy rate hike and attractive private bond investment margins. At the same time, fund managers are more optimistic about foreign bond investments as yield levels are attractive and expectations that the cycle of rate hikes is nearing an end. This sentiment is similar to investments in gold, which have the potential to benefit from concerns about the global economic slowdown.

For equity investments, the investment team remains optimistic about the long-term perspective on the overall growth of both developed and emerging markets but continues to monitor any uncertainties that could potentially create market volatility.

Therefore, it is recommended to diversify the investment portfolio in order to mitigate risks and rebalance the overall portfolio amid rapidly changing market conditions.



Example of recommended investment portfolio according to expected returns

Asset Type	Funds	Expected Returns							
		3%	4%	5%	6%	7%	8%	9%	10%
Domestic Fixed Income	KFSMART-A	52%	32%						
	KFAFIX-A	37%	43%	64%	50%	36%	23%	7%	
Foreign Fixed Income	KFTRB-A	1%	3%	4%	6%	8%	8%	8%	4%
	KFDIVERS-A						1%	6%	5%
Domestic Equity	KFENS50-A			2%		2%	5%	8%	9%
	KFS100-A	2%	5%	5%	10%	10%	9%	9%	10%
Foreign Equity – Developed Markets	KFJPINDEX-A	1%	1%	2%	2%	3%	4%	4%	5%
	KFUSINDEX-A	2%	5%	7%	10%	12%	15%	16%	20%
Foreign Equity – Emerging Markets	KFACHINA-A	2%	5%	6%	8%	11%	12%	15%	17%
	KF-INDIA	1%	2%	4%	5%	7%	9%	10%	12%
	KFVIET-A	2%	3%	5%	7%	8%	10%	12%	12%
Foreign Sector Equity	KFHHCARE-A								
Alternative Asset	KF-HGOLD		1%	1%	2%	3%	4%	5%	6%

Change in investment proportion compared to the previous quarter

● Increase in Weight ● Decrease in Weight

Asset Type	Funds	Expected Returns							
		3%	4%	5%	6%	7%	8%	9%	10%
Domestic Fixed Income	KFSMART-A	-9%	-8%	-29%	-22%				
	KFAFIX-A	8%	1%	20%	8%	-20%	-24%	-31%	-29%
Foreign Fixed Income	KFTRB-A	1%	3%	4%	6%	8%	8%	8%	4%
	KFDIVERS-A						1%	6%	5%
Domestic Equity	KFENS50-A	-1%	-1%		-2%	-2%	1%	4%	5%
	KFS100-A	2%	4%	4%	9%	10%	8%	7%	7%
Foreign Equity – Developed Markets	KFJPINDEX-A	1%		1%		1%	2%	2%	2%
	KFUSINDEX-A				1%	1%	2%	1%	3%
Foreign Equity – Emerging Markets	KFACHINA-A	-2%		-2%	-2%	-2%	-5%	-3%	-4%
	KF-INDIA			1%	1%	2%	4%	4%	5%
	KFVIET-A				1%	1%	1%	1%	
Foreign Sector Equity	KFHHCARE-A				-1%	-1%	-1%	-2%	-2%
Alternative Asset	KF-HGOLD		1%	1%	1%	2%	3%	3%	4%

Source: Krungsri Asset Management as of 28 June 2023 based on historical performance data of funds in investment universe since the inception date until 11 June 2023. The above calculation is based on investment portfolio with various hypotheses, which does not guarantee actual returns in the future.

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

Fund Details		
Funds	Risk Levels	Investment Policies
Domestic Fixed Income Funds		
KFSMART-A	4	The Fund invests onshore and/or offshore in debt 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.
KFAFIX-A	4	The Fund invests onshore and/or offshore in debt 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		
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)
KFDIVERS-A	5	The Fund invests at least 80% of its NAV in foreign mutual fund, PIMCO GIS Diversified Income Fund (Institutional – Income (USD)) (Master Fund)
Domestic Equity Funds		
KFENS50-A	6	The Fund invests at least 80% of its NAV in equities of listed companies under the SET 50.
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		
KFJPINDX-A	6	The Fund invests at least 80% of its NAV in foreign mutual fund, NEXT FUNDS Nikkei 225 Exchange Traded Fund (Master Fund)
KFUSINDX-A	6	The Fund invests at least 80% of its NAV in foreign mutual fund, Shares 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)
KF-INDIA	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	The 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.
KFHHCARE-A	7	The Fund invests at least 80% of its NAV in foreign mutual fund, JPMorgan Funds - Global Healthcare Fund, Class: JPM Global Healthcare C (acc) – USD) (Master Fund)
Commodity/ Alternative Asset Fund		
KF-HGOLD	8	Fund invests at least 80% of its NAV in foreign mutual fund, SPRDR Gold Trust (Master Fund)

(1) KFACHINA-A, KF-INDIA, and KFVIET-A offer risk protection from foreign exchange risks at fund managers' discretion.

(2) KFSMART-A, KFAFIX-A, KFTRB-A, KFDIVERS-A, KFJPINDX-A, KFUSINDX-A, KFHHCARE-A, KF-HGOLD offer full foreign exchange risk protection.

Disclaimers: Investors should study fund features, conditions of return and risk before making investment decision. Past performance of the mutual funds is no guarantee of future results. © Since KFHHCARE-A focuses on investing in industrial sectors, investors may risk losing substantial amount of investment. Thus, investors should seek additional advice prior to making any investment. © For KF-HGOLD, investors should seek additional advice prior to making any investment. © Funds may enter into foreign exchange risk protection agreements at the discretion of the fund manager, and there may be cost incurred in such transactions. Overall, this may result in a reduced return on investment due to aforementioned additional hedging cost. In the case that funds do not enter into risk protection agreement, investors may suffer a loss or receive a gain on foreign exchanges, or may receive return that is lower than the initial investment principal. © Funds that adopt full foreign exchange risk protection policy may result in a reduced return on investment due to aforementioned additional hedging cost. © 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 made for disseminating the information compiled from the credible sources as of the displaying 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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