

Recommended Funds of the Month

(Please click at fund titles for more details)

Recommended Funds: [KFGPROP-A](#) | [KFGPROP-D](#)

- Real estate investment trusts (REITs) tend to be supported by the outlook of declining interest rates (based on the assumption that the US economy does not fall into recession). In this regard, Krungsri Asset Management holds the view that the Federal Reserve (Fed) is likely to cut interest rates for the first time in September.
- The market has already considerably priced in concerns over commercial real estate in the office building category. Additionally, despite the fact that rental vacancy rate remains at a high level, the situation is concentrated in some areas only and supply in the office building sector tends to decrease. This will help alleviate negative pressure on the overall market of the office building business. As a matter of fact, commercial real estate in other categories is not a cause for concern.
- KFGPROP is outstanding for its investment approach that is not tied to the benchmark and proactively adjusting the investment portfolio, as well as having a relatively flexible investment universe.

Recommended Fund: [KFINFRA-A](#)

- The infrastructure stocks benefit from the downward interest rate cycle because of their high debt burdens. At the same time, the infrastructure sector also has a defensive nature which is suitable to invest in when the market is volatile.
- Besides, infrastructure stocks have been considerable laggards in the global markets as well as having limited downside risk.
- KFINFRA invests in both new economy infrastructure such as data centers and renewable energy business and traditional infrastructure such as power plants and communication services for the opportunities to generate growth along with consistent income.

Recommended Funds: [KFSINCFX-A](#) | [KFSINCFX-R](#)

- Foreign fixed income instruments are likely to be supported by the downward interest rate cycle. Krungsri Asset Management predicts that the Fed has the possibility to cut interest rates for the first time in September and foresees three rate cuts this year.
- PIMCO GIS Income Fund, which is the master fund, will conduct flexible portfolio rebalancing in response to changing market conditions.
- KFSINCFX is not hedged against foreign exchange risk. Accordingly, the value of the Baht that has appreciated considerably and is likely to soften in the forthcoming period will be a boon to the Fund's performance.

Recommended Funds: [KFGBRAND-A](#) | [KFGBRAND-D](#)

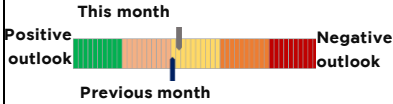
- The Fund invests in high-quality stocks around the world with consistent revenue and earnings growth.
- Besides, these stocks also have defensive quality that are a good investment when the economy is slowing down, and the market is volatile.

Global Economic Conditions & Investment Outlook by Fund Managers

US



Fund managers' outlook

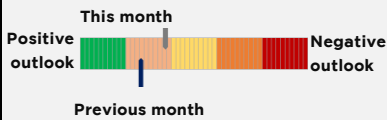


- Krungsri Asset Management slightly reduced its positive outlook on US stock markets from the prior month due to greater volatility in the US stock markets following the resurfacing of US recession fears.
- US employment data came in below market expectations. A slowing down US job market also spurred investor concerns over economic expansion.
- The Federal Open Market Committee (FOMC) hinted of a possible first rate cut in September, saying that the committee is now placing more focus on the labor market instead of focusing mainly on controlling inflation.
- Krungsri Asset Management predicts that the Fed is likely to cut interest rate 2-3 times this year, starting from September, on the back of cooling inflation and signs of weakening economic growth especially in the labor market as well as the manufacturing and services sectors.
- Notwithstanding, market volatility could remain for some time, including more uncertainties during the campaign before the presidential election at the end of the year.

Europe



Fund managers' outlook

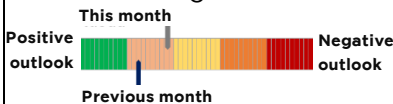


- Krungsri Asset Management weighs down its positive outlook on European stock markets on slowing overall economic conditions and stubbornly high inflation as well as political uncertainties in France.
- The Euro area's manufacturing PMI fell to the contractionary territory. In addition, tensions derived from trade policy with China could put additional pressure on the European economy.
- Furthermore, Europe issued measures to increase import tariffs on Chinese EVs, while China retaliated by launching anti-dumping investigation into EU pork imports. As of 2024, EU exports of pork products to China accounted for 20% of its total port exports.
- Krungsri Asset Management predicts that the European Central Bank (ECB) may need to implement additional rate cuts this year as the overall European economy slowed down. However, it remains cautious on persistently high inflation which may make it difficult for the ECB to decide for further rate cuts.

China



Fund managers' outlook

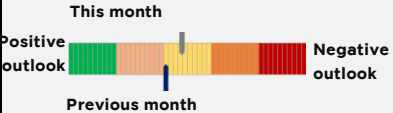


- Krungsri Asset Management continues to adjust its positive outlook on China's stocks downward after the Third Plenum meeting concluded without major policy initiatives to stimulate the economy. Meanwhile, the slower-than-expected economic recovery also exerted negative pressure on the stock markets in China.
- China's stock markets remained volatile as economic data showed signs of another slowdown in the manufacturing sector and real estate investment. Although the People's Bank of China (PBOC) cut policy interest rate, it did not provide enough support to drive recovery in the stock markets.
- Krungsri Asset Management forecasts that China's stock markets will improve in tandem with the clear signs of economic recovery. However, there remain risks in the Chinese stock markets due to tensions between the US and China, especially during the new US presidential election campaign.


Japan



- Japan's stock market became volatile again, causing Krungsri Asset Management to weigh down its positive outlook on the market.
- The Bank of Japan (BOJ) raised its benchmark interest rate by another 15 bps, resulting in the yen regaining its strength against the US dollar. In addition, investors expected that the BOJ will continue to tighten the monetary policy, spurring market anxiety and putting pressure on the Japanese stock market.

<p>Fund managers' outlook</p> 	<ul style="list-style-type: none"> ■ After market turbulence, however, the BOJ has expressed confidence in monetary policy implementation, saying that it will not raise the benchmark rate if market remains volatile, and the interest rate hike will be gradual. ■ On the economic front, Krungsri Asset Management holds the view that wage hikes in Japan will be a supporting factor for domestic consumption.
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Thai Economic Conditions & Investment Outlook by Fund Managers

<p style="text-align: center;">Thailand</p> 	<ul style="list-style-type: none"> ■ Consumer confidence continued to decelerate in June, weighed down by concerns over a slow economic recovery and political instability. ■ Krungsri Asset Management has a neutral view on investing in Thai equity instruments over the next 3 months. Key factor that needs to be monitored in the short-term is political clarity. Meanwhile, some of the earnings reports for the second quarter of 2024 of listed companies released recently indicated favorable recovery. ■ However, global equity markets are at risk of intensifying volatility on the back of investor concerns over the US recession. The SET index is anticipated to stay at 1,450 points by the end of 2024.
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Investment Outlook over the Next 3 Months

Funds	Rationale
Domestic funds	
<p>Short-term fixed income funds</p>	<p>The funds under this category focus investing in short-term government and private-sector debt instruments with excellent credit ratings and domestic and foreign deposits with financial institutions having solid financial health and high liquidity. For the forthcoming period, it is anticipated that the yield of short-term fixed-income funds may continue to drop slightly because foreign capital has started to return to invest in short-term Thai government debt instruments gradually as investors expect the Federal Reserve (Fed) to cut its policy rate 4-5 times this year after the US job market began to weaken more than initially estimated. In addition, these funds have raised the proportion of Thai government debt instruments in their portfolio to reserve liquidity during the recent period when investors are worried about the Thai corporate bond market and will seek to invest more in foreign bank deposits in the future. The fund managers still recommend KFSMART which has high portfolio rebalancing flexibility and seeks to enhance return on investment regularly. We recommend holding the fund for a period of at least three months as this may help mitigate the impact of daily fluctuations. Currently, the average duration of KFSPLUS is 0.1 – 0.3 year while that of KFSMART is 0.4 - 0.8 year.</p>
<p>Medium to long-term fixed income funds</p>	<p>The medium to long-term fixed income funds enjoyed excess return due to the recent decline in global bond coupon rates which was caused by the predictions on Fed rate cuts starting from September. Some investors even expect as much as 5 rate cuts this year. However, the fund managers see extremely high volatility in global fixed income markets soon as market expectations may have been excessively priced in occasionally. As for the Thai policy rate, although the Monetary Policy Committee (MPC) has not signaled any rate cut, we view that the policy rate of Thailand is waiting for the right timing to enter the downward interest rate cycle. In this regard, the fund managers have been gradually raising the average term to maturity of the funds and will rebalance the portfolio consistently to find opportunities in market volatility. Besides, the funds investing mainly in corporate bonds are still able to help mitigate</p>

	<p>market volatility. The expected return on investment of the funds under this category is attractive for long-term investment money that does not require liquidity in the short-term such as KFMTFI (minimum six-month holding period), KFAFIX (minimum one-year holding period), and KFENFIX (minimum two-year holding period). Currently, the average duration of KFMTFI, KFAFIX and KFENFIX is 2.2-2.8 years, 2.3-3.0 years, and 3-5 years, respectively.</p>
Thai equity funds	<p>The funds investing mainly in high growth stocks (KFSEQ-D or KFSEQ or KFGROWTH), as well as those focusing on selecting the most suitable stocks for each market condition (KFDNM-D or KFDYNAMIC or KFTSTAR), tend to yield good returns in the medium to long term in line with the favorable performance of the companies invested by these funds. Meanwhile, dividend value equity funds (KFSDIV or KFVALUE) could be a good choice for investors who prefer investing in high-performing companies with regular and high dividend payouts amid volatile market conditions.</p>
Mixed funds (KFHAPPY, KFGOOD, and KFSUPER)	<p>These funds focus investing in diverse asset classes and rebalance the investment portfolio to correspond to the market condition in each period. KFHAPPY maintains the investment ratio in corporate bonds at no more than 60% of total bond allocation and a fund duration of no more than three years. Meanwhile, KFGOOD and KFSUPER maintain the investment ratio of corporate bonds at no more than 70% of the total bond allocation. For domestic equity instruments, they mainly invest in large-cap stocks with strong financial positions and operational performance, resulting in high trading liquidity. As for property funds, REITs, and infrastructure funds, they focus their investments on securities with high-quality underlying assets and proven track records of regular dividend payouts. Currently these funds maintain the weights of risk assets lower than the benchmark and are expected to raise the weights of risk assets to get closer to the benchmark over the next three months.</p>
Foreign investment funds	
Foreign fixed income funds	
KF-SINCOME KF-CSINCOM KFSINCFX	<p>The master fund reduced the average duration of fixed income instruments in the portfolio by raising the investment proportion of medium-term instruments and lifting the short positions in Japanese debt instruments. Although agency MBS with high coupon payment is attractive to the fund, they are subject to high prepayment risk when market interest rates go down. However, in the environment that the market is at risk of an economic recession, the fund still enjoys certain benefits from the declining US bond yields.</p>
Developed market funds	
KF-EUROPE KFHEUROP	<p>The European stock markets experienced increased volatility, suffering the pressure of political uncertainties in France. Meanwhile, the overall economy that signals a slowdown in the manufacturing sector and persistently high inflation are expected to prevent the European Central Bank (ECB) from cutting interest rates as much as expected. However, market believes that if the Fed cut rate in September, the ECB may follow suit, which is beneficial for the market and the master fund which focuses on investing in growth stocks.</p>
KFJPINDX	<p>The Japanese stock market continued to fluctuate because of investor concerns over the monetary policy stance of the Bank of Japan (BOJ) which increased interest rate recently and led to a swift appreciation of the yen. It is anticipated that the Japanese</p>

	market will remain volatile due to the differences in monetary policy of the BOJ and the Fed.
KFUSINDX	The US market suffered a heavy sell-off last month on US recession fears after the release of less-than-expected employment figures. In addition, rising valuation of US stocks also triggered profit-taking among investors. However, the Fed is expected to cut interest rates by 2-3 times this year, with the first cut likely to take place in September. Meanwhile, political campaigns during the US presidential election may add volatility to the market.
KFNDQ	Technology stocks dropped sharply last month as investors sold their stocks to take profit following an increase in the technology sector's valuation. Additionally, investor concerns over a possible US recession were fueled by the softening employment data. Investing in US technology stocks now may involve ongoing volatility. However, it is anticipated that the Fed may deliver 2-3 rate cuts this year, which will be advantageous to high-growth stocks such as those in the technology sector and so on.
Emerging market funds	
KFACHINA	The Chinese markets declined slightly due to a lack of tailwinds for the stock markets. Following the conclusion of the Third Plenum, investors were disappointed by the absence of clear-cut stimulus policy packages. Also, economic data for the third quarter of 2024 showed renewed signs of slowdown, leading to a deterioration in investor confidence despite another policy rate cut by the People's Bank of China (PBOC).
KFINDIA	The Indian market remained strong after anxiety over government formation by Prime Minister Modi was relieved and Modi's reform policies were expected to continue. However, the Indian government recently raised the capital gain tax rate which may hurt market confidence in the long term. Additionally, the Indian market has high valuation relative to other Asian stock markets.
KFVIET	The Vietnamese market was down on risk-off sentiment. As the concerns over global recession resurfaces, the stock markets that are exposed to high risks such as Vietnam's stock market are hit by selling pressure. However, the overall economic expansion of Vietnam remains strong thanks to favorable foreign direct investment inflows. In the meantime, investors are warned to be cautious about the monetary policy stance of the State Bank of Vietnam (SBV). It is expected that if the Fed cuts interest rate, the pressure on Vietnam's monetary policy management will be reduced.
KFHASIA	The Asian markets excluding Japan declined sharply led by the technology stocks in Asia that were experiencing heavy sell-off driven risk-off sentiment in the market. Investors sold off technology stocks throughout the world due to worries about a possible global recession. Furthermore, the Asian markets are also under pressure from the Chinese stock markets because the economy of China remains sluggish. Notwithstanding, if the Fed cuts interest rate, the pressure on Asian central banks can be relieved.
Global equity market funds	
KFGBRAND	The performance of the master fund strengthened over the last month as it recently had a relatively high investment proportion in the consumer staples sector and benefited from sector rotation. In addition, the master fund has invested mainly in

	fundamentally strong stocks which can help cushion the impact of market volatility. However, worries about a possible recession in the US may adversely affect the prices of stocks in the investment portfolio,
KFWINDX	The fund invests in global equity markets through MSCI All Country World Index (MSCI ACWI). The recent solid growth of US stock markets has continued to be a key factor contributing to the strong performance of the fund. In the forthcoming period, the expansion of corporate earnings will be an important growth driver of the performance of the stocks in the investment portfolio. However, excessive expectations of investors as well as US recession fears can have a negative impact on stock prices.
KFESG	The fund focuses on sustainable investment theme by investing in stocks relating to the semiconductor supply chain and the industries addressing social and environmental issues, such as the solutions to climate change and health problems and the promotion of social roles and equality, etc. Besides, it is expected that policy rate cuts by central banks around the world will be a supporting factor for performance of the stocks in the investment portfolio. However, worries about a possible recession in the US may adversely affect stock prices.
KFHTECH KFGTECH	The growth of artificial intelligence (AI) and the demand for AI adoption will be the major factors fostering earnings growth of the stocks in the fund's portfolio. Furthermore, entering a downward interest rate cycle globally also enables technology stocks to have lower financial costs in the forthcoming period. However, excessive expectations of investors together with US recession fears may adversely affect stock prices in the short-term.
KFHEALTH KFHHCARE	Substantially growing research and development in the healthcare sector coupled with the adoption of AI technology in disease diagnosis have contributed significantly to the performance growth of the fund's portfolio. Furthermore, rapid growth of AI technology will be the key driver that facilitates research and development which tends to foster solid growth of earnings of the companies invested by the funds. Nevertheless, concerns over US recession may put pressure on the returns of the fund in the short-term.
Commodity funds	
KF-GOLD KF-HGOLD	Gold prices fell slightly because of the massive sell-off for profit taking last month. However, strong purchase demand by global central banks and ongoing geopolitical risk may be major factors that bolster gold prices in the coming months.

Fund Information		
Funds	Risk Levels	Investment Policies
Domestic fixed income funds		
KFSPLUS	4	The Fund invests in high quality fixed-income securities of public sector, financial institutions, and private companies generating good returns or bank deposits. It may partially invest in foreign fixed-income instruments and enter into derivatives contracts to hedge against foreign exchange risk.

KFSMART	4	The Fund focuses investing onshore and/or offshore in debt instruments and/or deposits or deposits equivalent instruments issued, certified, avaled, or repayment guaranteed by the government, state enterprises, financial institutions, and/or private entities, with an investment grade issue or issuer rating.
KFMTFI	4	The Fund invests on average at least 50% of its NAV in an accounting period in government-sector debt securities. The remaining is invested in bank deposits or debt instruments of commercial banks, state-owned enterprises or private companies assigned an A- or above medium-term or long-term credit rating or an F2, T2 or above short-term credit rating.
KFAFIX	4	The Fund focuses investing onshore and/or offshore in debt instruments and/or deposits or deposits equivalent instruments issued, certified, avaled, or repayment-guaranteed by the government, state enterprises, financial institutions, and/or private entities, with an investment grade issue or issuer rating. It may also invest in non-investment grade or unrated debt instruments.
KFENFIX	4	The Fund focuses investing onshore and/or offshore in debt instruments and/or deposits or deposits equivalent instruments issued, certified, avaled, or repayment-guaranteed by the government, state enterprises, financial institutions, and/or private entities, with an investment grade issue or issuer rating. It may also invest in non-investment grade or unrated debt instruments.
Foreign fixed income funds		
KF-SINCOME KF-CSINCOM KFSINCFX	5	The Fund invests on average at least 80% of its NAV in an accounting period in PIMCO GIS Income Fund (Class I Acc) (the Master Fund).
Domestic equity funds		
KFSDIV KFVALUE	6	The Fund invests on average at least 80% of its NAV in an accounting period domestically in shares of listed companies with consistent dividend paying potential.
KFSEQ KFSEQ-D	6	The Fund invests on average at least 80% of its NAV in an accounting period in domestic equity instruments by focusing on investing in securities issued by companies with high growth potential or strong fundamentals.
KFDYNAMIC KFDNM-D	6	The Fund invests on average at least 80% of its NAV in an accounting period in domestic equity instruments by focusing on investing in fundamentally strong and high growth potential stocks.
KFGROWTH	6	The Fund invests on average at least 80% of its NAV in an accounting period in domestic equity instruments.
KFTSTAR	6	The Fund invests on average at least 80% of its NAV in an accounting period in equity instruments by focusing on investing in stocks listed on the SET and/or MAI and/or derivatives of which the underlying assets are listed stocks or group of listed companies including IPO stocks pending listing on the stock exchange.
Domestic mixed funds		
KFHAPPY KFGOOD KFSUPER	5	The Fund invests in any or several types of the following securities or assets: 1) Debt instruments, deposits or deposit-equivalent instruments domestically and abroad; 2) listed stocks including IPO stocks and may invest in property units or infra units; 3) investment units of funds under management of the Management Company in the proportion of not exceeding 100% of the fund's NAV in compliance with the rules and conditions of the SEC Office; 4) The fund may invest in non-investment grade securities or unrated bonds in an aggregate proportion of not exceeding

		20% of its NAV and may invest in unlisted securities and structured notes in compliance with the criteria of the SEC Office.
Foreign investment funds		
Developed market equity funds		
KFUSIDX	6	The Fund invests on average at least 80% of its NAV in an accounting period in iShares Core S&P 500 ETF (the Master Fund).
KFNDQ	6	The Fund invests on average at least 80% of its NAV in an accounting period in Invesco NASDAQ 100 ETF (the Master Fund).
KF-EUROPE KFHEUROP	6	The Fund invests on average at least 80% of its NAV in an accounting period in Allianz Europe Equity Growth Fund (Class AT) (the Master Fund).
KFJPIDX	6	The Fund invests on average at least 80% of its NAV in an accounting period in NEXT FUNDS Nikkei225 Exchange Traded Fund (the Master Fund).
Emerging market equity		
KFACHINA	6	The Fund invests on average at least 80% of its NAV in an accounting period in UBS (Lux) Investment SICAV - China A Opportunity Fund (Class P-Acc) the Master Fund).
KFINDIA	6	The Fund invests on average at least 80% of its NAV in an accounting period in FSSA Indian Subcontinent Fund (Class III USD) (the Master Fund).
KFVIET	6	The fund invests on average at least 80% of its NAV in an accounting period in the investment units of foreign equity funds and/or exchange traded funds (ETFs) whose investment policy focuses on investing in listed securities in Vietnam and/or companies having established a major presence or benefited from business operations in Vietnam.
KFHASIA	6	The Fund invests on average at least 80% of its NAV in an accounting period in Baillie Gifford Pacific Fund (Class B Acc) (the Master Fund).
Global equity funds		
KFGBRAND	6	The Fund invests on average at least 80% of its NAV in an accounting period in Morgan Stanley Investment Funds - Global Brands Fund (Class Z) (the Master Fund).
KFWIDX	6	The Fund invests on average at least 80% of its NAV in an accounting period in iShares MSCI ACWI ETF (the Master Fund).
KFESG	6	The Fund invests on average at least 80% of its NAV in an accounting period in AB Sustainable Global Thematic Portfolio, Class S1 USD (the Master Fund).
KFINFRA	6	The Fund invests on average at least 80% of its NAV in an account period in UBS (Lux) Infrastructure Equity Fund, Class IB USD (the Master Fund).
KFGPROP	7	The Fund invests on average at least 80% of its NAV in an accounting period in Janus Henderson - Global Real Estate Equity Income Fund (Class I1q USD) (the Master Fund).
KFGTECH	7	The Fund invests on average at least 80% of its NAV in an accounting period in T. Rowe Price Funds SICAV - Global Technology Equity Fund (Class Q) (the Master Fund).
KFHTECH	7	The Fund invests on average at least 80% of its NAV in an accounting period in BGF World Technology Fund (Class D2 USD) (the Master Fund).
KFHEALTH KFHHCARE	7	The Fund invests on average at least 80% of its NAV in an accounting period in JPMorgan Funds - Global Healthcare Fund (Class: JPM Global Healthcare C (acc) - USD) (the Master Fund).

Commodity funds

KF-GOLD KF-HGOLD	8	The Fund invests on average at least 80% of its NAV in an accounting period in SPDR Gold Trust (the Master Fund).
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Remarks:

- (1) KFSINCFX, KF-EUROPE, KFNDQ, KFINDIA, KFVIET, KFGBRAND, KFWINDX, KFGTECH, KFHEALTH, KFACHINA and KFGPROP are hedged against foreign exchange risk at fund managers' discretion.
- (2) KFSPLUS, KFSMART, KFMTFI, KFAFIX, KFENFIX, KFHAPPY, KFGOOD, KFSUPER, KF-SINCOME, KF-CSINCOM, KFHEUROP, KFHTECH, KFHASIA, KFESG, KFHHHCARE, KF-HGOLD, KFUSINDX, KFJPINDEX and KFINFRA are fully hedged against foreign exchange risk (no less than 90% of the foreign investment amount).
- (3) KF-GOLD does not use foreign exchange hedging instrument.

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